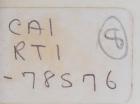


CA1 RT1 -78S76



Digitized by the Internet Archive in 2023 with funding from University of Toronto





## Pay-television Background research paper

Subscription pay-television



RT 1

BACKGROUND RESEARCH PAPER

Subscription Pay-Television

This paper was prepared for the Canadian Radio-Television and Telecommunications Commission.

The Commission does not necessarily subscribe to the views expressed in the paper.

This paper was property for the Capatian Tadle-Television and Telecommunications Communication.

The Commission does not necessarily subscribe to the

## CONTENTS

		Page
	Preface	4
1.	Introduction	5
	Main assumptions	5
	Cost and revenue	7
2.	Cash flow statements and schedule of expenses (pay-TV national)	13
3.	Cash flow statements and schedule of expenses (pay-TV Ontario)	25
	- Toronto	
	- Toronto-Hamilton-Kitchener-London	n
	- Toronto-based microwave network	

- Province of Ontario

### PREFACE

Subscription pay-television service consists of a special package or channel which the subscriber may choose to accept or not. Should the subscriber choose to accept the pay-TV package, there would be a flat monthly fee (e.g. \$8) in addition to his regular cable rates. Should the subscriber not wish to accept pay-TV service, he or she would simply continue to pay the normal cable rate. Subscription pay-TV could be offered either by cable or over-the-air.

The following is a simulated profitability analysis of a hypothetical pay-television system, entirely based on the pay-TV experience in the US; no Canadian data are available on which to base such an analysis, and until there are, analysis remains an academic exercise. Nevertheless, it was felt that such an exercise would provide at least an outline of the kind of return to be expected, assuming that the American experience is valid in Canada. Costs used in this analysis are based on a 1976 Canadian estimate.

No demand model for the services to be provided by pay-TV was used, and we have simulated the investment analysis by assuming that certain penetration levels (15% to 30%) could be achieved at subscription rates of \$8 and \$10.

It should also be noted that no attempt was made to develop any specific type of pay-television agency. We have attempted to establish the revenues and costs involved in a pay-television operation without defining the specific roles of the parties concerned.

Although specific assumptions were used in this model, such as payment by monthly subscription and delivery of service by a combination of bicycling/microwave, it was not our intention to suggest that this is the only viable pay-television system or that pay-television should be introduced using only these methods.

### 1. INTRODUCTION

This investment analysis has assumed that the introduction of pay-TV in Canada will be done via cable systems. These systems, however, would have to be big enough to provide the revenues necessary to justify the basic costs of a pay-TV service. We have therefore selected for use only cable systems with 2,000 or more paying subscribers. Depending on location, size, and the cost of pay-TV service, individual cable systems were considered to be either part of a microwave network or to stand alone.

Our first chart indicates that three microwave systems could, most likely, be developed under these conditions, with the origination centers based respectively in Montréal, Toronto, and Vancouver. Note that the Atlantic Provinces, as well as Manitoba and Saskatchewan, would stand alone. This is also true for systems in the provinces where microwave will be available but where it will not be economical for cable operators to be fed via the microwave system (see Fig. 1).

## Main Assumptions

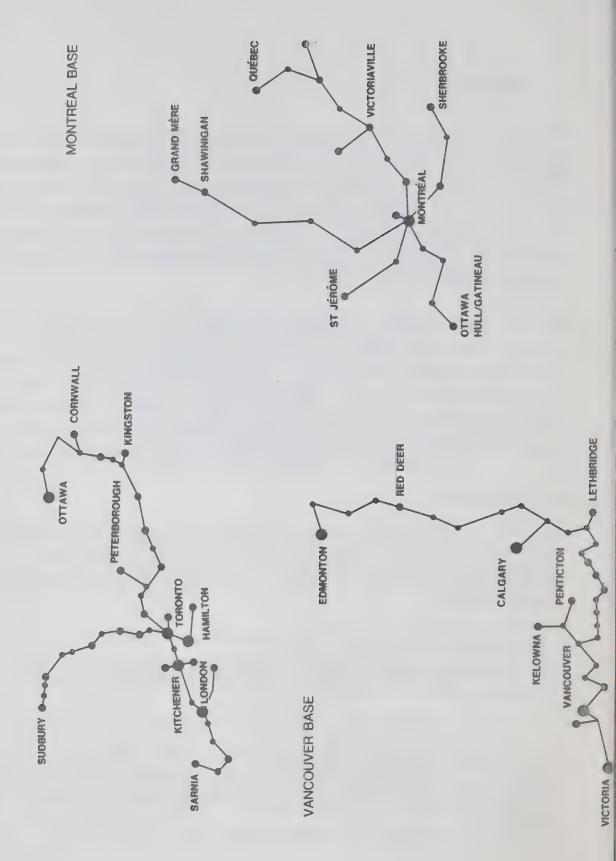
The following list outlines the main assumptions used in the investment analysis.

- Pay-TV is accessible to approximately 98.5% of cable subscribers.
- Signal is delivered via microwave to 105 systems and bicycled to 78 standalone systems.
- Capital to be invested is for:
  - terminal devices at \$45 each
  - originating centers (\$20,000 to \$350,000 depending on role within system)
  - intra-city microwave for Toronto-Hamilton-Montréal-Vancouver
  - start-up costs (front-end marketing and initial operating losses).
- Revenues are calculated on assumed monthly subscriber rates of \$8 and \$10 and on assumed pay-TV penetration rates ranging from 15% to 30% of cable subscribers.

## FIGURE 1

# PAY-TV MICROWAVE NETWORKS

## TORONTO BASE



- 40% of revenues goes to program acquisitions; an additional 5% levy is raised for investment in Canadian production.
- Operating expenses include:
  - cost of microwave (\$2.5 million per year)
  - origination centers, operations costs
  - general administration (\$12 per subscriber per year)
  - marketing (6% of gross revenue).
- Allowance is made for a 46% corporate income tax rate.

## Cost and revenue

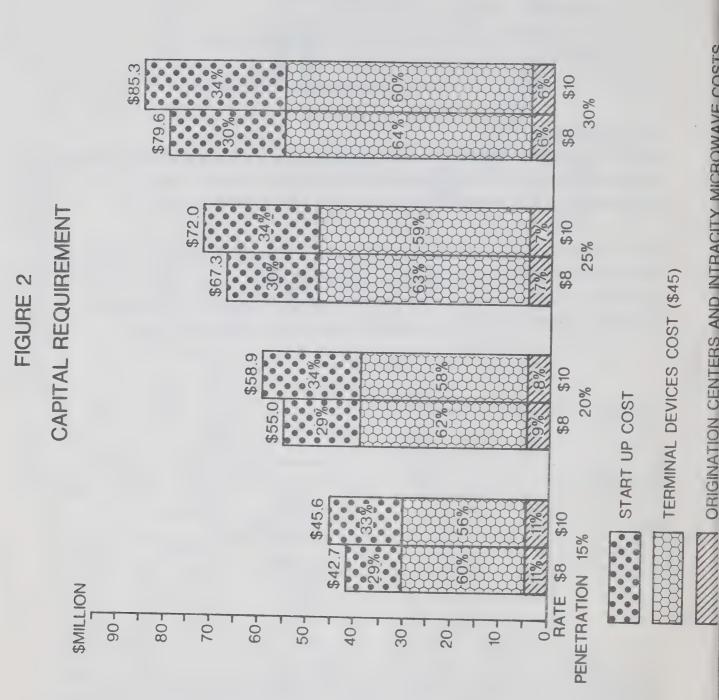
Based on these assumptions, we have projected the capital required at different penetration levels for a national pay-TV system. The main element in the capital requirement is the terminal devices, between 56% and 64% (see Fig. 2).

In our analysis we have used \$45 per device per pay-TV subscriber, which was considered to be a reasonable price considering that such a device must be both economical and secure. The following tables indicate the return on investment (ROI) at different assumed penetration levels (see Fig. 3).

Table 1
Return on Investment

Rate -	\$8	Rate -	\$10
Capital PV (\$000's)	ROI*	Capital PV (\$000's)	ROI*
\$42,737	19.0	\$45,565	29.4
55,027	22.6	58,797	32.8
67,317	24.8	72,030	34.8
79,608	26.3	85,264	36.2
	Capital PV (\$000's) \$42,737 55,027 67,317	Capital PV ROI* (\$000's) %  \$42,737 19.0 55,027 22.6 67,317 24.8	Capital PV ROI* Capital PV (\$000's) % (\$000's)  \$42,737

<sup>\*</sup> Commensurate with the risk, we are of the opinion that a prospective rate of return equal to twice the going bank interest rate (11.5% currently) for a corporation of similar size, would probably attract the necessary investment, i.e. around 23% plus. Using a penetration level of 25% we have made a comparison of ROI expected in various Ontario pay-TV systems versus a national pay-TV system. (See below, Table 2).



COST OF TERMINAL DEVICE PER PAY-TV SUBSCRIBER FIGURE 3

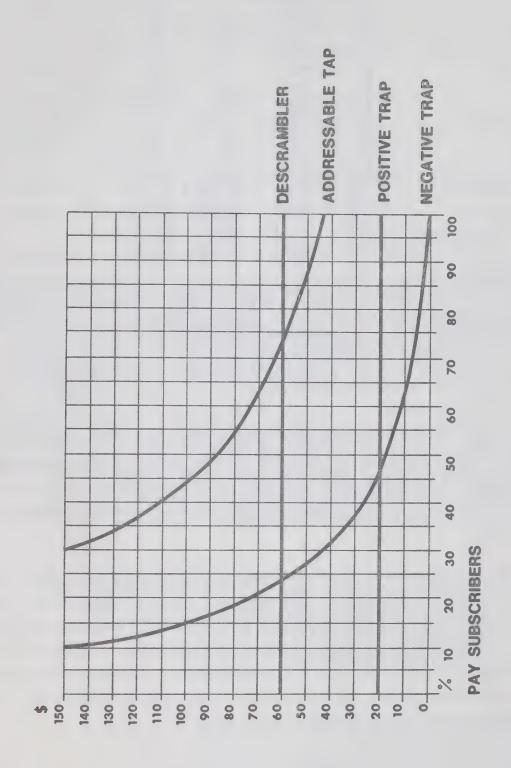


Table 2
Return on Investment
Ontario Compared to National
(Using a Penetration of 25%)

	Rates -	\$8	Rates -	\$10
Market	Capital PV	ROI	Capital PV	ROI
	(\$000's)	%	(\$000's)	7.
National	\$67,317	24.8	\$72,030	34.8
Toronto	13,982	31.3	14,995	40.6
Toronto-Hamilton- Kitchener-London	20,093	31.6	21,572	40.9
Toronto-based microwave network	27,345	29.5	29,404	39.3
Provice of Ontario	30,040	28.2	32,263	38.0

Figure 4 is a bar chart showing total revenues to be expected from pay-TV national, broken down into the various cost elements and the cash flow from operations. Please note that we have allocated 45% of subscriber revenues for program expenses of which 5% is for Canadian production investment. (There is no assumption, of course, that Canadian production would be excluded from direct benefit through the remaining 40% program acquisition fund.)

The 5% off-the-top levy for investment in Canadian production would yield between \$2.4 million and \$7.1 million, if applied equally over the five-year period. However, if one assumed that the pay-TV organization has to generate 23% after taxes in order to attract the necessary funding, the Canadian production levy will then represent between 1.3% and 15.6% at different penetration levels and subscription rates, giving between \$0.7 million to \$20.5 million (see Fig. 5).

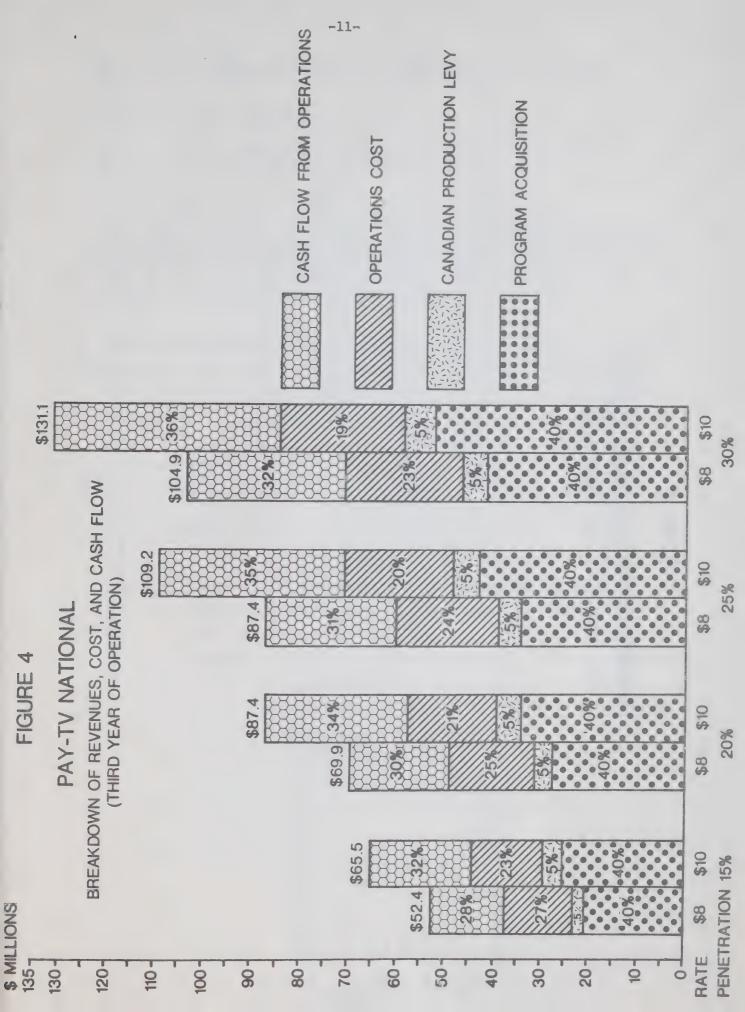
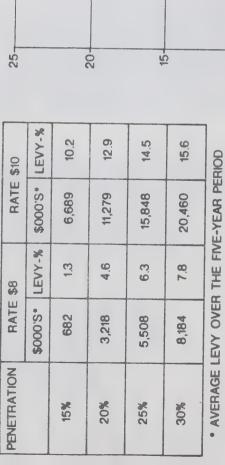


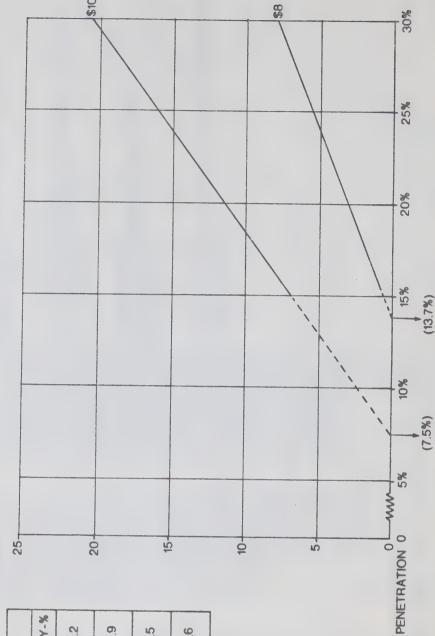
FIGURE 5

# CANADIAN PRODUCTION LEVY

(FOR AN ROI OF 23% AFTER TAXES)

\$ Million





2. CASH FLOW STATEMENTS AND SCHEDULE OF EXPENSES (PAY-TV NATIONAL)

## Comments on Assumption Used

- 1. This return on investment report is based only on the microwave delivery option.
- 2. The total accessible pay-TV subscribers were established as a percentage of cable subscribers. This estimate was available only for year one (1978) but it has been extrapolated up to year five (1982) based on the social forecast study prepared for the Satellite Committee.
- 3. The cash flow statements were prepared for different assumed penetration levels at subscriber rates of \$8 and \$10. Further, these statements were developed for the ultimate purpose of determining the net return on investment, i.e. after income taxes.
- 4. The basic expense data were established as follows:
  - a. The installed capital cost of each terminal device is \$45;
  - b. The capital cost of each originating center ranges from \$20,000 to \$350,000, depending on their roles in the system;
  - c. General administration costs:
    - i. Churning: disconnects and reconnects estimated at 25% of the subscribers at a cost of \$10 per operation, \$5 per subscriber per year.
    - ii. Terminal service (one \$10 call per year for 20% of subscribers), \$2 per subscriber per year.
    - iii. Billing and collection of fees, \$1 per subscriber per year.
    - iv. Bad debt, \$1 per subscriber per year.
    - v. Complaints (at conventional cable cost), \$1 per subscriber per year.
    - vi. Overhead (incremental cost to cable operation), \$2 per subscriber per year.

Total: \$12 per subscriber per year.

## d. Marketing costs:

- i. Front-end costs: include commissions and rebates to achieve the necessary penetration; have been estimated at \$22.40 per subscriber at a \$8 rate and at \$28 per subscriber at a \$10 rate. These costs have been capitalized at start-up costs.
- ii. Operating costs: commissions and rebates to maintain the achieved penetration have been estimated at 6% of the gross revenues and included in the operating expenses (this figure has been corroborated by experience in the US).
- 5. The cost of intra-city microwave facilities has been estimated as follows (this cost was capitalized):

Montréal	\$125,000
Toronto	275,000
Hamilton	100,000
Vancouver	100,000
Total:	\$600,000

- 6. Allocations have been made for initial operating losses and have been capitalized. A period of approximately three months has been allowed to achieve a cash break-even position.
- 7. Income taxes have been calculated at 46%, the assumed corporate tax rate. In order to calculate the income taxes payable, start-up costs were entirely written off in the first year, the cost of capital has been estimated at 12% per year, and capital cost allowance has been calculated as follows:
  - a. for terminal devices: straight line over three years; and
  - b. for origination centers and intra-city microwaves: 20% declining balance.
- 8. It should be noted that in order to take full advantage of the present corporate taxation system, we have assumed that the venturers would finance the pay-TV going concern via debt instrument only. However, we have calculated the proportion of the capital investment that could be financed

via debt and equity (see page 24), should the necessary funds via debt fail to be attracted.

9. Table 3
Pay Subscribers (Estimated)

Described	Year 1	Year 2	Year 3	Year 4	Year 5
Penetration	3,366,590	3,501,254	3,641,304	3,786,956	3,919,499
15%	504,989	525,188	546,196	568,043	587,925
20%	673,318	700,250	728,261	757,391	783,900
25%	841,648	875,313	910,326	946,739	979,875
30%	1,009,977	1,050,376	1,092,391	1,136,087	1,175,850

<sup>10.</sup> The method used to calculate the return on investment (ROI) is the net present value method.

CASH FLOW STATEMENTS
(1978 TO 1982)
(\$000's)

\$ (3) (4) (5) \$ (5) (1) \text{ATE} \$ (1) \text{S10} \text{S10} \$ (3) \text				RATE	\$8			A COLUMN TO THE PERSON OF THE	The state of the s		The state of the s
FINEES  48,479  50,418  50,418  50,418  50,435  50,441  60,599  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  60,699  63,023  66,544  68,165  70,244  70,240  70,250  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240  70,244  70,240		(1)	(2)	(3)		(5)	(1)	1	1.		reference on the same of American
FINESS  19,382  20,167  20,974  21,813  22,576  24,240  25,209  65,544  68,165  2,448		(A)	ē/S	109	49	₩.	16/5	(Z) H/W	E 160	(g) 49	(5) 80
FINSES  19,392	EVENUES:	48,479	50,418	52,435	54,532	56.441	60 599	62 003	SE CAA	10000	
19,382 20,167 20,974 21,813 22,576 3,030 3,151 3,277 3,408 PENSES  2,424 2,521 2,621 2,727 2,822 3,030 3,151 3,277 3,408 PENSES  21,816 22,688 23,595 24,540 2,5396 27,270 28,360 29,495 30,674 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	ROGRAM EXPENSES							20,00	440,00	691,80	70,551
2,424 2,521 2,688 23,595 24,540 25,398 27,270 28,360 29,495 30,574 ats centers 1,837 1,956 2,084 2,448 2,936 3,632 2,781 3,933 4,090 2,9495 30,574 13,224 13,731 14,232 14,756 17,252 13,981 13,389 15,019 15,574 14,225 13,591 13,284 13,731 14,232 14,756 17,252 13,981 13,389 15,019 15,574 14,228 2,000 13,999 14,608 15,236 15,731 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 14,231 14,232 14,758 15,731 15,348 20,176 21,030 21,917 22,588 15,000 15,140 15,348 15,018 15,005 11,340 11,033 12,350 15,140 15,348 15,005 11,340 11,033 12,350 15,140 15,348 15,005 11,340 11,033 12,350 11,239 11,033 12,350 11,239 11,033 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,133 11,034 12,035 11,034 11,031 11,034 11,033 11,034 11,033 11,034 11,033 11,034 11,033 11,034 11,0	Acquisition costs (40%)	19,392	20,167	20,974	21,813	22.576	24 240	25 200	2000	000	6
PENSES  2,448  2,1837  13,254  13,351  14,232  14,566  15,236  15,791  19,348  2,448  4,574  14,532  14,536  15,734  16,736  16,736  16,736  16,736  16,736  16,736  16,736  16,736  16,736  16,744  17,444  17,340  11,734)  11,734  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  2,360  11,794)  11,013  11,014  11,013  11,014  11,013  11,014	Levy costs (5%)	2,424	2,521	2,621	2,727	2.822	3 030	3 151	20,2,02	997'17	28,220
FENSES  1,448	TOTAL	21,816	22,688	23,595	24,540	25,398	27.270	28.360	20 405	30,408	3,528
1,374   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,219   2,363   1,837   1,956   2,064   2,219   2,363   1,837   1,956   2,064   2,219   2,219   2,366   3,622   2,064   2,219   3,933   4,090   3,025   3,446   3,772   3,386   3,632   2,781   3,933   4,090   4,00	ERATING EXPENSES									10,00	01,120
(\$12)         (\$137         1,956         2,084         2,719         2,743         2,448         2,219         3,386         3,632         2,781         3,933         4,090         6,219         2,219 <th< td=""><td>Fransmission costs</td><td>2,448</td><td>2,448</td><td>2.448</td><td>2 448</td><td>2 449</td><td>0 4 4 0</td><td>4</td><td></td><td></td><td></td></th<>	Fransmission costs	2,448	2,448	2.448	2 448	2 449	0 4 4 0	4			
13.00   14.00   15.20   14.00   15.20   15.00   13.00   14.00   15.20   14.00   15.20   14.00   13.00   14.00   15.20   14.00   15.20   14.00   14.00   15.20   14.00   14.00   15.20   14.00   14.00   15.20   14.00   14.00   15.20   14.0	Costs-origination centers	1,837	1.956	2.084	2 2 2 10	2 262	2,440	2,448	2,448	2,448	2,448
(\$12)	Aarketing-operation (6%)	2 909	3 0 25	2 4 4 8	2,2,0	2,303	1,83/	1,956	2,084	2,219	2,363
13,254   13,731   14,732   14,756   17,252   13,981   13,389   15,019   15,574   13,289   14,608   15,791   19,348   20,176   21,030   21,917   23,500   13,999   14,608   15,236   15,791   19,348   20,176   21,030   21,917   23,568   25,648   2	seneral admin. (\$12)	6,060	C30,0	0,140	3,2/2	3,386	3,632	2,781	3,933	4,090	4,233
ES 35,070 36,419 37,827 14,756 17,252 13,981 15,389 15,019 15,574 46,248			2000	\$CC'0	0,81/	7,055	6,060	6,302	6,554	6,817	7,055
## OPERATION   13,409   13,999   14,608   15,236   15,791   19,348   20,176   21,030   21,917   21,236   14,608   15,236   15,791   19,348   20,176   21,030   21,917   21,239   25,648   25,736   25,648   25,736   25,648   25,736   25,648   25,736   25,648   25,736   25,648   25,739   25,621   17,586   8,926   28,816   23,362   17,352   6,912   25,648   21,739   (11,794)   (11,013)   (2,350)   6,865   (9,468)   (3,186)   3,678   15,005   13,409   13,999   14,608   15,236   12,633   19,348   20,176   19,338   15,015   1		13,254	13,731	14,232	14,756	11,252	13,981	13,389	15,019	15,574	16,099
FS Carried Fwd. 13,409 13,999 14,608 15,236 15,791 19,348 20,176 21,030 21,917  ES A,788 4,897 5,011 5,129 5,236 5,128 5,237 5,350 5,468  Siscarried Fwd. 12,312 12,229 11,794 11,013 2,350 15,140 9,468 3,186	TAL EXPENSES	35,070	36,419	37,827	39,296	40,650	41,251	42,847	44,514	46,248	47.847
4,788 4,897 5,011 5,129 5,236 5,128 5,237 5,350 5,468  8,548 8,659 8,816 1,444 1,340 8,548 8,657 8,816 1,444  12,312 12,229 11,794 11,013 2,350 15,140 9,468 3,186	SH FLOW FROM OPERATION	13,409	13,999	14,608	15,236	15.791	19.348	20 176	000 10	0	
8,548 8,659 8,816 1,444 1,340 8,548 8,657 8,816 1,444 1,340 8,548 8,657 8,816 1,444 1,340 8,548 8,657 8,816 1,444 1,340 8,548 8,657 8,816 1,444 1,340 8,548 8,557 8,816 1,444 1,340 12,350 15,140 9,468 3,186 1,444 1,340 12,359 (11,794) (11,013) (2,350) 6,865 (9,468) (3,186) 1,367 8,013 13,409 13,999 14,608 15,236 12,333 19,348 20,176 19,338 15,015 1	HER EXPENSES							50,170	060,12	/16,17	22,704
Nance         8,548         8,658         8,816         1,444         1,340         8,548         8,657         8,816         1,444           28s carried Fwd.         12,312         12,229         11,794         11,013         2,350         15,140         9,468         3,186         1,444           25,648         25,793         25,621         17,586         8,926         28,816         23,362         17,352         6,912           FFORE TAXES         (11,739)         (11,013)         (2,350)         6,865         (9,468)         (3,186)         3,678         15,005         1           5S)         (12,229)         (11,794)         (11,013)         (2,350)         6,865         (9,468)         (3,186)         1,986         8,013           13,409         13,999         14,608         15,236         12,633         19,348         20,176         19,338         15,015         1	iterest costs (at 12%)	4,788	4,897	5,011	5,129	5.236	F 128	F 227	000	6	
Secarried Fwd. 12,312 12,229 11,794 11,013 2,350 15,140 9,468 3,186	apital cost allowance	8,548	8,659	8,816	1.444	1 340	8 5.48	0,637	0,000	5,408	9/9/9
25,648 25,793 25,621 17,586 8,926 28,816 23,362 17,352 6,912	art-up costs/Loss carried Fwd.	12,312	12,229	11,794	11,013	2.350	15 140	0,037	0,010	1,444	1,340
EFORE TAXES (12,239) (11,794) (11,013) (2,350) 6,865 (9,468) (3,186) 3,678 15,005 1	DTAL	25,648	25.793	25 621	17 598	0000	0 0	00,0	3, 100	***	THE PERSON NAMED IN
6865 (9,468) (3,186) 3,678 15,005 12,229 (11,794) (11,013) (2,350) 6,865 (9,468) (3,186) 3,678 15,005 13,409 13,999 14,608 15,236 12,633 19,348 20,176 19,338 15,015 11	DFIT (LOSS) BFFORE TAYES		10000000	130,02	000'/1	076'9	28,816	23,362	17,352	6,912	6,916
SS) (12,229) (11,794) (11,013) (2,350) 3,707 (9,468) (3,186) 1,986 8,013 (13,409 13,999 14,608 15,236 12,633 19,348 20,176 19,338 15,015 1	Come taxes (480)		(11,794)	(11,013)	( 2,350)	6,865	( 9,468)	(3,186)	3,678	15,005	15,788
(12,229) (11,794) (11,013) (2,350) 3,707 (9,468) (3,186) 1,986 8,013	(2/04) (40/6)	Service and service				3,158			1,692	6,902	7,262
13,409 13,999 14,608 15,236 12,633 19,348 20,176 19,338 15,015	PROFIT (LOSS)	(12,229)	(11,794)	(11,013)	( 2,350)	3,707	( 9,468)	(3,186)	1,986	8,013	8,526
	CASH FLOW	13,409	13,999	14,608	15,236	12,633	19,348	20,176	19,338	15,015	15,422

ROI AT \$ 18: 19.0% ROI AT \$10: 29.4%

## PAY-TV NATIONAL SCHEDULE OF EXPENSES (1978 TO 1982)

PENETRATION: 15%

		(1)	(2) \$	(3) \$	(4) \$	(5) <b>\$</b>
CAPITAL COST ALLOV	VANCE		+4.0%	+4.0%	+4.0%	+3.5%
Origination centers		4,266,955				
Intra-city microwaves		600,000				
•	(a)	4,866,955	dealer dealer retire dates			
Terminal devices	(b)	22,724,505	908,980	945,339	983,153	894,669
	,-,	27,591,460	908,980	945,339	983,153	894,669
TABLE						
(a) 20% declining		973,391	778,713	622,970	498,376	398,701
(b) 1/3 straight line	(1)	7,574,835	7,524,835	7,574,835		-
•	(2)		302,994	302,993	302,993	
	(3)	sale alle des per		315,113	315,113	315,113
	(4)				327,718	327,718
	(5)					298,223
TOTAL		8,548,226	8,656,542	8,815,911	1,444,200	1,339,775
START-UP COSTS			\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs			11,311,754		14,139,692	
Initial operating losses			1,000,000		1,000,000	
			12,311,754		15,139,692	
TOTAL CAPITAL		(1)	(2)	(3)	(4)	(5)
at \$8		39,903,214	40,812,194	41,757,533	42,740,686	43,635,355
at \$10		42,731,152	43,640,132	44,585,471	45,568,624	46,463,293
Present value of capital (12% discount)	outflow					
at \$8		39,903,214	811,589	753,618	699,789	<b>568</b> ,578
at \$10		42,731,152				
TOTAL			at \$8	42,736,788	at \$10	45,564,726
EQUIPMENT		s	%			
Terminal devices		25,558,088	84			
Origination centers		4,266,955	14			
Intra-city microwave		600,000	2			
TOTAL		30,425,043	100			

CASH FLOW STATEMENTS (1978 TO 1982) (\$000's)

PENETRATION: 20%

		A STATE OF THE PARTY OF THE PAR	RATE . *	000	4		2	RATE + \$10		THE RESERVE AND A PERSON NAMED IN COLUMN
	E 49	(2)	(E) 48	(4)	(5)	(E)	(2)	(£)	(4)	<u> </u>
REVENUES	64.639	67.224	69.913	72.710	75.254	80.798	84.030	87.391	90.887	94.068
PROGRAM EXPENSES										
Acquisition costs (40%)	25,856	26,890	27,965	29,084	30,102	32,319	33,612	34,956	36,355	37,627
Levy costs (5%)	3,232	3,361	3,495	3,636	3,763	4,040	4,202	4,370	4,544	4,703
TOTAL	29,088	30,251	31,460	32,720	33,865	36,359	37,814	39,326	40,899	42,330
OPERATING EXPENSES										
Transmission costs	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448
Costs-origination centers	1,837	1,956	2,084	2,219	2,363	1,837	1,956	2,084	2,219	2,363
Marketing-operation (6%)	3,878	4,033	4,185	4,363	4,515	4,848	5,042	5,243	5,453	5,644
General admin. (\$12)	8,080	8,403	8,739	680'6	9,407	8,080	8,403	8,739	680'6	3,407
Total	16,243	16,840	17,456	18,119	18,733	17,213	17,849	18,514	19,209	19,862
TOTAL EXPENSES	45,331	47,091	48,916	50,839	52,598	53,372	55,663	57,840	60,108	62,192
CASH FLOW FROM OPERATION	19,308	20,133	20,997	21,871	22,656	27,226	28,367	29,551	30,779	31,876
OTHER EXPENSES										
Interest costs (at 12%)	6,150	6,295	6,447	6,604	6,747	6,602	6,748	668'9	7,056	7,199
Capital cost allowance	11,073	11,282	11,547	1,759	1,653	11,073	11,282	11,547	1,759	1,653
Start-up costs/loss carried fwd.	16,082	13,997	11,441	8,433	State state and state	19,853	10,302	date stree with stree		and the state of t
TOTAL	33,305	31,574	29,435	16,801	8,400	37,528	28,332	18,446	8,815	8,852
PROFIT (LOSS) BEFORE TAXES	(13,997)	(11,441)	(8,438)	5,070	14,256	(10,302)	35	11,105	21,964	23,024
Income taxes (46%)	stage and same and			2,332	6,558		16	5,108	10,103	10,591
NET PROFIT (LOSS)	(13,997)	(11,441)	( 8,438)	2,738	2,698	(10,302)	19	5,997	11,861	12,433
NET CASH FLOW	19,308	20,133	20,997	19,539	16,098	27,226	28,351	24,443	20,676	21,285

ROI AT \$ 8: 22.6% ROI AT \$10: 32.8%

## PAY-TV NATIONAL SCHEDULE OF EXPENSES (1978 TO 1982)

PENETRATION: 20%

		(1)	(2) \$	(3)	(4) \$	(5) \$
CAPITAL COST ALLO	WANCE		+4.0%	+4.0%	+4.0%	+3.5%
Origination centers		4,266,955				
Intra-city microwaves		600,000		worth require further reveals		
	(a)	4,866,955				
Terminal devices	(b)	30,299,310	1,211,972	1,260,452	1,310,869	1,192,891
		35,166,265	1,211,972	1,260,452	1,310,869	1,192,891
TABLE						
(a) 20% declining		973,391	778,713	622,970	498,376	398,701
(b) 1/3 straight line	(1)	10,099,770	10,099,770	10,099,770		Starter Starter States Street
	(2)		403,991	403,991	403,990	
	(3)		application-description	420,151	420,151	420,150
	(4)	Marine delices delices delices		-	436,957	436,956
	(5)		which distribution comme			397,631
		11,073,161	11,282,474	11,546,882	1,759,474	1,653,438
START-UP COSTS			\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs			15,082,323		18,852,904	
Initial operating losse	s		1,000,000		1,000,000	
			16,082,323		19,852,904	
TOTAL CAPITAL		(1)	(2)	(3)	(4)	(5)
at \$8		51,248,588	52,460,560	53,721,012	55,031,881	56,224,772
at \$10		55,019,169	56,231,593	57,491,593	58,802,462	<b>5</b> 9,995,353
Present value of capit (12% discount)	al outflow					
at \$8		51,248,588	1,082,118	1,004,825	933,051	758,104
at \$10		55,019,169				
TOTAL			at \$8	55,026,686	at \$10	58,797,267
EQUIPMENT		s	%			
Terminal devices		34,077,408	87			
Origination centers		4,266,955	11			
Intra-city microwave		600,000	2			
TOTAL		38,944,363	100			

PAY-TV NATIONAL
CASH FLOW STATEMENTS
(1978 TO 1982)
(\$000's)

PENETRATION: 25%

\$\begin{array}{c c c c c c c c c c c c c c c c c c c				→ RATE	88	TOTAL STREET, A STREET, A STREET, AS A STREE	Control of the second	C			
Section   Sect		€ *	(2)	(3)		(5)	(1)	1_	(3)		(5)
NSES 15 (40%) 18 (40%		9	6	A	69	69	€9	49	€9	€9	49
FINSES  18,359	EVENUES	80,798	84,030	87,391	90,887	94,068	100,998	105,038	109,239	113,609	117,585
Second Fig.   33,319   33,612   34,956   36,355   37,627   40,399   42,015   45,696   45,444   4,703   4,544   4,703   5,050   5,252   5,462   5,680   5,124   5,680   5,248   5,1124   5,680   5,248   2,44	ROGRAM EXPENSES						borney sea				
4,040 4,202 4,370 4,544 4,703 5,050 5,552 5,462 5,680  28.35.359 37,814 39,326 40,899 42,330 45,449 47,267 49,158 51,124 E  21.448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,1956 2,084 2,219  36.359 19,550 2,084 2,219 2,383 1,837 1,956 2,084 2,219  36.559 5,542 5,243 5,543 1,1,561 1,1,759 10,100 10,504 10,924 11,361 1  38.559 5,7764 60,025 62,380 64,544 65,893 68,477 71,168 73,969 7  38.559 5,7764 60,025 62,380 64,544 65,893 68,477 71,168 73,969 7  38.559 5,7764 60,025 62,380 64,544 65,893 68,477 71,168 73,969 7  38.571 1,569 11,091 6,885 2,075 11,967 11,369 11,36	Acquisition costs (40%)	32,319	33,612	34,956	36,355	37,627	40,399	42,015	43,696	45,444	47 034
36,359 37,814 39,326 40,899 42,330 45,449 47,267 49,158 51,124 sts 1,enters 1,837 1,956 2,084 2,448 2,19 2,10 1,0 10,0 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361 11,361 11,759 10,100 10,504 10,924 11,361 11,361 11,759 10,100 10,504 10,924 11,361 11,	Levy costs (5%)	4,040	4,202	4,370	4,544	4,703	5,050	5,252	5.462	5.680	5,87
sts 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 2,448 1,837 1,956 2,084 2,219 2,363 1,837 1,956 2,084 2,219 2,363 1,837 1,956 2,084 2,219 2,363 1,837 1,956 2,084 2,219 2,363 1,937 1,956 2,084 2,219 2,363 1,937 1,956 2,084 2,219 2,363 1,932 19,950 20,699 21,481 22,214 20,444 21,210 22,010 22,845 2,55,502 57,764 60,025 62,380 64,544 65,893 68,477 71,168 73,969 7 MOPERATION 25,206 26,266 27,366 28,507 29,524 35,105 36,561 38,071 39,640 4 21,210 22,010 22,845 2,075 1,369 13,908 14,278 2,075 1,967 13,598 13,908 14,278 2,075 1,967 13,598 13,908 14,278 2,075 1,967 11,369 15,885 15,766 11,091 (5,885) 12,468 19,299 (11,136) 3,268 15,345 2,075 16,759 11,759 11,759 8,285 15,711 11,759 11,759 11,759 11,759 11,759 11,759 11,759 26,336 25,206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336 2	TOTAL	36,359	37,814	39,326	40,899	42,330	45,449	47,267	49,158	51,124	52,91
1,837   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,448   2,199   2,363   1,837   1,956   2,084   2,219   2,363   1,837   1,956   2,084   2,219   2,195   10,100   10,504   10,504   10,504   10,504   10,504   10,504   10,504   10,504   10,504   10,504   10,504   11,361   11,759   10,100   10,504   10,924   11,361   11,759   10,100   10,504   10,924   11,361   11,759   10,100   10,504   10,924   11,361   11,361   11,759   10,100   10,504   10,924   11,361   11,361   11,759   10,100   10,504   11,361   11,361   11,361   12,214   20,444   21,210   22,010   22,845   28,505   28,506   28,506   28,507   29,524   35,105   36,561   38,071   39,640   39,640   38,644   31,308   14,278   2,075   1,967   13,598   14,278   2,075   10,679   10,225   46,241   33,030   22,726   10,719   10,719   10,725   10,719   10,725   11,369   11,136   11,	PERATING EXPENSES										
1,837   1,956   2,084   2,219   2,363   1,857   1,956   2,084   2,219   2,363   1,857   1,956   2,084   2,219   2,219   2,363   1,956   2,084   2,219   2,214   2,0,444   21,210   2,2010   2,2495	Transmission costs	2,448	2,448	2,448	2,448	2,448	2.448	2 448	2 448	2 440	0 4 4 0
tion (6%) 4,848 5,042 5,243 5,544 4,848 5,042 6,554 6,817 11,361 11,759 10,100 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361 11,759 10,100 10,504 10,924 11,361	Costs-origination centers	1,837	1,956	2,084	2,219	2,363	1.837	1.956	2,770	2 2 2 10	2 262
10,100   10,504   10,924   11,361   11,759   10,100   10,504   10,924   11,361   12,214   20,444   21,210   22,010   22,845   22,845   21,366   27,366   28,507   29,524   35,105   36,561   38,071   39,640   44,278   13,968   14,278   2,075   1,967   13,598   13,908   14,278   2,075   1,967   13,598   13,908   14,278   2,075   1,967   13,598   11,306   14,278   2,075   10,719   11,361   15,365   15,366   11,361   11,361   12,368   13,304   11,361   12,368   13,304   11,361   12,368   13,304   11,361   12,368   13,304   11,361   12,368   13,304   11,361   11,361   11,361   11,361   11,361   11,361   13,304   11,361   11,361   11,361   11,361   11,361   11,361   11,361   13,304   11,361   11,361   11,361   11,361   11,361   11,361   11,361   11,361   11,361   11,361   11,361   13,304   11,361   11,361   11,361   13,304   11,361	Marketing-operation (6%)	4,848	5,042	5,243	5,453	5,644	4,848	5.042	6.55.d	6,2,3 R R 17	7 055
19,233   19,950   20,699   21,481   22,214   20,444   21,210   22,010   22,845	General admin. (\$12)	10,100	10,504	10,924	11,361	11,759	10,100	10,504	10,924	11.361	11.759
S   55,592   57,764   60,025   62,380   64,544   65,893   68,477   71,168   73,969     MOPERATION   25,206   26,266   27,366   28,507   29,524   35,105   36,561   38,071   39,640     127a   7,511   7,693   7,882   8,079   8,258   8,077   8,259   8,448   8,644     13,598   13,908   14,278   2,075   1,967   13,598   13,908   14,278   2,075     19,853   15,756   11,091   5,885   12,468   19,299   (11,136)   3,258   15,345   28,921     25,206   26,266   27,366   22,772   20,646   35,105   35,062   31,012   26,336     25,206   26,266   27,366   22,772   20,646   35,105   35,062   31,012   26,336     26,336   3,269   3,269   3,269   3,269   3,269     25,206   26,266   27,366   22,772   20,646   35,105   35,062   31,012   26,336     26,336   32,000   30,	Total	19,233	19,950	20,699	21,481	22,214	20,444	21,210	22,010	22,845	23.625
Second   S	TAL EXPENSES	55,592	57,764	60,025	62,380	64,544	65,893	68,477	71,168	73,969	76,538
12%) 7,511 7,693 7,882 8,079 8,258 8,077 8,259 8,448 8,644 8,644 8,644 8,644 8,644 8,644 8,644 8,644 8,644 8,644 8,644 13,598 13,908 14,278 2,075 1,967 13,598 13,908 14,278 2,075 1,967 13,598 13,908 14,278 2,075 1,967 10,225 46,241 33,030 22,726 10,719 11 1,091 (5,885) 12,468 19,299 (11,136) 3,258 15,345 28,921 33 1,0421 (11,136) 11,759 8,286 15,617 11 12,550 25,206 28,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336 2	SH FLOW FROM OPERATION	25,206	26,266	27,366	28,507	29,524	35,105	36 561	38.071	30 640	
12%)         7,511         7,683         7,882         8,079         8,258         8,077         8,259         8,448         8,644           Wance         13,598         13,908         14,278         2,075         1,967         13,598         13,908         14,278         2,075           St carried fwd.         19,853         15,756         11,091         5,885         10,225         46,241         33,030         22,726         10,719         1           FFOHE TAXES         (15,756)         (11,091)         (5,885)         12,468         19,299         (11,136)         3,258         15,345         28,921         3           SS)         (15,756)         (11,091)         (5,885)         6,733         10,421         (11,136)         7,059         7,059         15,617         1           SS)         (15,756)         (11,091)         (5,885)         6,733         10,421         (11,136)         7,059         8,286         15,617         1           25,206         26,266         27,726         22,772         20,646         35,105         35,062         31,012         26,336         2	HER EXPENSES									2,000	5
FECHETAXES 13,598 14,278 2,075 1,967 13,598 13,908 14,278 2,075 2,075 13,598 13,908 14,278 2,075 2,075 24,566 11,136 24,566 11,136 24,566 11,136 24,566 11,136 24,566 11,136 22,726 10,719 1 1 2,468 19,299 (11,136) 3,258 15,345 28,921 3 3 251 (15,756) (11,091) (5,885) (5,735 8,878 11,499 7,059 13,304 1 1 2,550 (15,756) (11,091) (5,885) (5,733 10,421 (11,136) 11,759 8,286 15,617 1 1 2,5206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336 2	nterest costs (at 12%)	7,511	7,693	7,882	8,079	8,258	8,077	8,259	8,448	8,644	8.823
FORE TAXES (15,756) (11,091) (5,885) 5,735 (11,136) 11,499 (11,136) 11,499 (11,136) 11,499 (11,136) 13,304 (15,756) (11,091) (5,885) (5,733) 10,421 (11,136) 11,759 (11,759) (11,136) 11,759 (11,136) 11,759 (15,617) 25,206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336	apital cost allowance	13,598	13,908	14,278	2,075	1,967	13,598	13,908	14,278	2.075	1 967
FFORE TAXES (15,756) (11,091) (5,885) 12,468 19,299 (11,136) 3,258 15,345 28,921 (15,756) (11,091) (5,885) 12,468 19,299 (11,136) 3,258 15,345 28,921 (15,756) (11,091) (5,885) 6,733 10,421 (11,136) 11,759 8,286 15,617 (25,206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336	tart-up costs/loss carried fwd.	19,853	15,756	11,091	5,885		24,566	11,136			
FFORE TAXES (15,756) (11,091) (5,885) 12,468 19,299 (11,136) 3,258 15,345 28,921 (15,756) (11,091) (5,885) 6,733 10,421 (11,136) 11,759 8,286 15,617 (25,206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336	OTAL	40,962	37,357	33,251	16,039	10,225	46,241	33.030	22 726	10 719	10 700
25,206 26,266 27,36 22,772 20,646 35,105 35,062 31,012 26,336	OFIT (LOSS) BEFORE TAXES	(15,756)	(11,091)	( 5,885)	12,468	19,299	(11,136)	3,258	15.345	28 921	30.257
SS) (15,756) (11,091) (5,885) 6,733 10,421 (11,136) 11,759 8,286 15,617 25,206 26,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336	ncome taxes (46%)				5,735	8,878	-	11,499	7.059	13.304	13.918
25,206 28,266 27,366 22,772 20,646 35,105 35,062 31,012 26,336	T PROFIT (LOSS)	(15,756)	(11,091)	( 5,885)	6,733	10,421	(11,136)	11,759	8,286	15,617	16,339
	T CASH FLOW	25,206	26,266	27,366	27,772	20,646	35,105	35,062	31,012	26,336	27,129

ROI AT \$ 8: 24.8% ROI AT \$10: 34.8%

## PAY-TV NATIONAL SCHEDULE OF EXPENSES (1978 TO 1982)

PENETRATION: 25%

		(1)	(2) \$	(3)	(4) \$	(5) <b>\$</b>
CAPITAL COST ALLO	WANCE		+4.0%	+4.0%	+4.0%	+3.5%
	WAITOE		1 4.0/2	1 4.0%	4.0/2	1 3.3/1
Origination centers  Intra-city microwaves		4,266,955 600,000	aliijih kidara minista amanir			
Intra-city inicrowaves						
Terminal devices	(a) (b)	4,866,955	1 514 066	1 575 560	1 620 507	1.401.114
Terminal devices	(0)	37,874,138	1,514,966	1,575,569	1,638,587	1,491,114
		42,741,093	1,514,966	1,575,569	1,638,587	1,491,114
TABLE						
(a) 20% declining		973,391	778,713	622,970	498,376	398,701
(b) 1/3 straight line	(1)	12,624,713	12,624,713	12,624,712	- and the test test	
	(2)	survey could colden covery	504,989	504,989	504,988	
	(3)			525,190	525,190	525,189
	(4)	Other made of the children			546,196	546,196
	(5)					497,038
TOTAL		13,598,104	13,908,415	14,277,861	2,074,750	1,967,124
START-UP COSTS			\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs			18,852,915		23,566,144	
Initial operating losse	s		1,000,000		1,000,000	
			19,852,915		24,566,144	
TOTAL CAPITAL		(1)	(2)	(3)	(4)	(5)
at \$8		62,594,008	64,108,974	65,684,538	67,323,125	68,814,239
at \$10		67,307,237	68,822,203	<b>7</b> 0,397,767	72,036,354	73,527,468
Present value of capit (12% discount)	al outflow					
at \$8		62,594,008	1,352,648	1,256,030	1,166,314	947,630
at \$10		67,307,237				
TOTAL			at \$8	67,316,630	at \$10	72,029,859
EQUIPMENT		5	%			
Terminal devices		42,596,760	90			
Origination centers		<b>4,266,95</b> 5	9			
Intra-city microwave		600,000	1			
TOTAL		47,463,715	100			

PAY-TV NATIONAL
CASH FLOW STATEMENTS
(1978 TO 1982)
(\$000's)

PENETRATION: 30%

	(1)		))							
	₩	(2)	(E &	(4)	(5)	E &	(5)	(3)	\$ (4)	(5)
REVENUES	896,96	100,836	104,870	109,064	112,882	121,197	128,045	131,087	136,330	141,109
PROGRAM EXPENSES										
Acquisition costs (40%)	38,783	40,334	41,948	43,626	45,153	48,479	50,418	52,435	54,532	56,444
Levy costs (5%)	4,848	5,041	5,244	5,453	5,644	090'9	6,302	6,554	6,817	7,055
TOTAL	43,631	45,375	47,192	49,079	50,797	54,539	56,720	58,989	61,349	63,499
OPERATING EXPENSES										
Transmission costs	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448
Costs-origination centers	1,837	1,956	2,084	2,219	2,363	1,837	1,956	2,084	2,219	2,363
Marketing-operation (6%)	5,817	6,050	6,292	6,544	6,773	7,272	7,563	7,865	8,180	8,467
General admin. (\$12)	12,120	12,605	13,109	13,633	14,110	12,120	12,605	13,109	13,633	14,110
Total	22,222	23,059	23,933	24,844	25,694	23,677	24,572	25,506	26,480	27,388
TOTAL EXPENSES	65,853	68,434	71,125	73,923	77,491	78,216	81,292	84,495	328′28	90,887
CASH FLOW FROM OPERATION	31,105	32,402	33,745	35,141	35,391	42,981	44,753	46,592	48,501	50,222
OTHER EXPENSES										
Interest costs (at 12%)	8,873	9,091	9,318	9,554	892'6	9,552	9,770	6,997	10,233	10,447
Capital cost allowance	16,123	16,535	17,009	2,390	2,281	16,123	16,535	17,009	2,390	2,281
Start-up costs/loss carried fwd.	23,624	17,515	10,739	3,321	man other stee dam.	29,280	11,974	different separa duntas appeara	dates some circle relate	
TOTAL	48,620	43,141	37,066	15,265	12,050	54,955	38,279	27,006	12,623	12,728
PROFIT (LOSS) BEFORE TAXES	(17,515)	(10,739)	(3,321)	19,876	23,341	(11,974)	6,474	19,586	35,878	37,494
Income taxes (46%)	Many same male gates	digital desire regula desse	delan come come come	9,143	10,737	mann cupic sippe pang	2,978	9,010	16,504	17,847
NET PROFIT (LOSS)	(17,515)	(10,739)	( 3,321)	10,733	12,605	(11,974)	3,496	10,576	19,374	20,247
NET CASH FLOW	31,105	32,402	33,745	25,998	24,654	42,981	41,775	37,582	31,997	32,975

ROI AT \$ 8: 26.3% ROI AT \$10: 36.2%

## PAY-TV NATIONAL SCHEDULE OF EXPENSES (1978 TO 1982)

PENETRATION: 30%

		(1)	(2)	(3)	(4) \$	(5) \$
		- Total			<b></b>	
CAPITAL COST ALLO	OWANCE		+4.0%	+4.0%	+4.0%	+3.5%
Origination centers		4,266,955	-		were their sale sale	spilled righter district require
Intra-city microwaves	5	600,000	special street special			
	(a)	4,866,955				ampile dilibite mapin quoque
Terminal devices	(b)	45,449,865	1,817,995	1,890,714	1,966,343	1,789,372
		50,316,820	1,817,995	1,890,714	1,966,343	1,789,372
TABLE						
(a) 20% declining		973,391	778,713	622,970	498,376	398,701
(b) 1/3 straight line	(1)	15,149,955	15,149,955	15,149,955		
	(2)	-	605,998	605,998	605,998	
	(3)			630,238	630,238	<b>63</b> 0,238
	(4)				<b>65</b> 5,448	<b>65</b> 5,448
	(5)					<b>59</b> 6,457
TOTAL		16,123,346	16,534,666	17,009,161	2,390,060	2,280,844
START-UP COSTS			\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs			22,623,933		28,279,916	
Initial operating losse	s		1,000,000		1,000,000	
			23,623,933		<b>2</b> 9,279,916	
TOTAL CAPITAL		(1)	(2)	(3)	(4)	(5)
at \$8		73,940,753	75,758,748	77,649,462	79,615,805	81,405,177
at \$10		79,596,736	81,414,731	83,305,445	85,271,788	87,061,160
Present value of capit (12% discount)	al outflow					
at \$8		73,940,753	1,623,210	1,507,266	1,399,604	1,137,178
at \$10		79,596,736				
TOTAL			at \$8	79,608,011	at \$10	<b>8</b> 5, <b>2</b> 63,994
EQUIPMENT		s	%			
Terminal devices		51,117,123	91			
Origination centers		4,266,955	8			
Intra-city microwave		600,000	1			
TOTAL		55,984,078	100			

PAY-TV NATIONAL
SCHEDULE OF CAPITAL INVESTMENT
(\$000's)

			15%			20%	%			25	25%			30%	7	
		89	\$10			8	\$10			\$8	\$10			88	\$10	
CAPITAL TO BE INVESTED									And the second second	Support following the community		-	The second second	algran, in an algrange from the level of discusses		
Equipment		\$30,425	\$30,425		W7	\$38,945	\$38,945		<del>67</del>	\$47,464	\$47,464		97	\$55,984	\$55,984	
Start-up costs		12,312	15,140			16,082	19,853			19,853	24,566			23,624	29,280	
TOTAL		\$42,737	\$45,565		97	\$55,027	\$58,798		49	\$67,317	\$72,030		97	809,678	\$85,264	
DEBT/EQUITY	%	69	49	2%	%	6/9	49	18	18	€9	€	%	18	€9	63	3
DEBT:								-								
Equipment (75%)	53.4	22,819	22,819	50.1	53.1	29,209	29,209	49.7	52.9	35,598	35,598	49.4	52.7	41,988	41,988	49.2
EQUITY:																
Equipment (25%)		7,606	7,606			9,736	9,736			11,866	11,866			13,966	13,966	
Start-up costs		12,312	15,140			16,082	19,853			19,853	24,566			23,624	29,280	
	46.6	19,918	22,746	49.9	46.9	25,818	29,589	503	47.1	31,719	36,432	50.6	47.3	37,620	43,276	50.8
TOTAL CAPITAL	100.0	\$42,737	\$45.565	100	1000	1000 1000 \$55,027	&5.8 70R	200	1000	1000 1000 \$67 317	\$72 030 1000 1000 \$78 808	1000	1000	270 GOR	ege nea	100

Weighted average: at \$8: 53.0% – debt 47.0% – equity

at \$10 : 49.5% – debt 50.5% – equity

TOTAL : 51.2% - debt 48.8% - equity

3. CASH FLOW STATEMENTS AND SCHEDULE OF EXPENSES (PAY-TV ONTARIO)

PAY-TV ONTARIO
RETURN ON INVESTMENT
PENETRATION: 25%

Market			200	2				Hate \$10	10	
		Capital (PV) (\$000's)		ROI – %			Capital (PV) (\$000's)		ROI – %	
Metropolitan Toronto		13,982		31.3			14,995		40.6	
Toronto-Hamilton- Kitchener-London		20,093		31.6			21,572		40.9	
Ontario network		27,345		29.5			29,404		39.3	
Province of Ontario		30,040		28.2			32,263		38.0	
Pay Subscribers										
		Total A	Total Accessible Subscribers	ribers			ď	Penetration: 25%	%	
Market										
	(E)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(2)
Metropolitan Toronto	723,268	755,092	788,316	823,004	855,924	180,817	188,773	197,079	205,751	213,981
Toronto-Hamilton- Kitchener-London	1,056,360	1,098,616	1,142,560	1,188,264	1,232,228	264,090	274,656	285,640	297,066	308,057
Ontario network	1,468,076	1,513,588	1,560,508	1,608,884	1,653,932	367,019	378,397	390,127	402,221	413,483
Province of Ontario	1,580,736	1,629,740	1,680,260	1,732,348	1,780,856	395,184	407,435	420,065	433,087	445,214

PAY-TV METROPOLITAN TORONTO
CASH FLOW STATEMENTS
(1978 TO 1982)
(\$000's)
PENETRATION: 25%

1			RATE	8\$			•	RATE \$	\$10	
	(1)	(2)	3)	(4)	(5)	(1)	(2)	(3)	(4)	(2)
	€	49	€9	S	49	€9	€9	49	€9	₩
REVENUES	17,358	18,122	18,919	19,752	20,542	21,698	22,653	23,649	24,690	25,678
PROGRAM EXPENSES										
Acquisition costs (40%)	6,943	7,249	7,568	7,901	8,217	8,679	9,061	9,460	9,876	10,271
Levy costs (5%)	898	906	946	286	1,027	1,084	11,133	1,182	1,235	1,284
TOTAL	7,811	8,155	8,514	8,888	9,244	9,763	10,194	10,642	11,111	11,555
OPERATING EXPENSES										
Transmission costs	1		-		man dem delse man	-	1	Agent About rough class	come come and again	-
Costs-origination centers	160	167	174	182	190	160	167	174	182	190
Marketing-operation (6%)	1,041	1,087	1,135	1,185	1,233	1,302	1,359	1,419	1,481	1,541
General admin. (\$12)	2,170	2,265	2,365	2,469	2,568	2,170	2,265	2,365	2,469	2,568
Total	3,372	3,519	3,674	3,836	3,991	3,632	3,791	3,958	4,132	4,299
TOTAL EXPENSES	11,182	11,674	12,188	12,724	13,235	13,395	13,985	14,600	15,243	15,854
CASH FLOW FROM OPERATION	6,176	6,448	6,731	7,028	7,307	8,303	8,668	9,049	9,447	9,824
OTHER EXPENSES										
Interest costs	1,542	1,585	1,630	1,677	1,721	1,664	1,707	1,751	1,798	1,843
Capital cost allowance (1/3)	2,920	3,040	3,164	374	378	2,920	3,040	3,164	374	378
Start-up costs	4,090	2,376	553			5,103	1,384			1 1
TOTAL	8,552	7,001	5,347	2,051	2,099	9,687	6,131	4,915	2,172	2,221
PROFIT (LOSS) BEFORE TAXES	( 2,376)	(223)	1,384	4,977	5,208	(1,384)	2,537	4,134	7,275	7,603
Income taxes (46%)	Minch chairs states come	man pales som pers	637	2,289	2,396		1,167	1,902	3,347	3,497
NET PROFIT (LOSS)	( 2,376)	( 553)	747	2,688	2,812	( 1,384)	1,370	2,232	3,928	4,106
NET CASH FLOW	6,176	6,448	6,094	4,739	4,911	8,303	7,501	7,147	6,100	6,327

ROI AT \$ 10: 31.3% ROI AT \$10: 40.6%

## CAPITAL COSTS (TORONTO METROPOLITAN) SCHEDULE OF EXPENSES (1078 TO 1982)

PENETRATION: 25%

	(1)	(2)	(3)	(4) \$	(5) <b>\$</b>
	\$	\$	\$	Φ	<b>J</b>
CAPITAL COST ALLOWANCE		+4.4%	+4.4%	+4.4%	+4.0%
Origination centers	349,300				
Intra-city microwaves	275,000				~
Terminal devices	8,136,765	358,018	373,770	390,216	370,35
	8,761,065	+ 358,018	+ 373,770	+ 390,216	+ 370,35
Depreciation (over three years)					
(1)	2,920,355	2,920,355	2,920,355	dissipe digrees related respect	
(2)	edjante ellister actually source-	119,339	119,339	119,339	
(3)	salate dillak dalah danta		124,590	124,590	124,590
(4)		ARMAN PROPERTY COLORS AND		130,072	130,072
(5)		differ shallo date: with			123,450
TOTAL	2,920,355	3,039,694	3,164,282	374,001	378,112
START-UP COSTS		\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs		4,050,300		5,062,876	
Initial operating losses		40,000		40,000	
		4,090,300		5,120,876	
TOTAL CAPITAL	(1)	(2)	(3)	(4)	(5)
at \$8	12,851,365	13,209,383	13,583,153	13,973,369	14,343,720
at \$10	13,863,941	14,221,959	14,595,729	14,985,945	15,356,296
Present value of capital outflow (12% discount)					
at \$8	12,851,365	. 040.050			
at \$10	13,863,941	+ 319,658	+ 297,967	+ 277,748	+ 235,564
TOTAL		at \$8	\$13,982,104	at \$10	\$14,994,680
EQUIPMENT	\$	%			
Terminal devices	9,268	93.7			
Origination center	348	3.5			
Intra-city microwave	272	2.8			
	9,892	100.0			

PAY-TV TORONTO – HAMILTON – KITCHENER – LONDON CASH FLOW STATEMENTS (1978 TO 1982) (\$000's)

			3				The Person Name and Address of the Owner, where	-		
	(1)	(2)	<u>~</u>		(5)	(1)		(3)		(5)
	49	69	€	49	6	49	69	<del>6</del>	₩.	j 49
REVENUES 2	25,353	26,367	27,421	28,518	29,573	31,691	32,958	34,277	35,648	36,967
PROGRAM EXPENSES										
Acquisition costs (40%)	10,141	10,547	10,968	11,407	11,829	12,676	13,183	13,711	14,259	14,787
Levy costs (5%)	1,268	1,318	1,371	1,426	1,479	1,585	1,648	1,714	1,782	1,848
TOTAL	11,409	11,865	12,339	12,833	13,308	14,261	14,831	15,425	16,041	16,635
OPERATING EXPENSES										
Transmission costs	120	120	120	120	120	120	120	120	120	120
Costs-origination centers	160	167	174	182	190	160	167	174	182	190
Marketing-operation (6%)	1,521	1,582	1,645	1,711	1,774	1,901	1,977	2,057	2,139	2,218
General admin. (\$12)	3,169	3,296	3,428	3,565	3,697	3,169	3,296	3,428	3,565	3,697
Total	4,970	5,165	5,367	5,578	5,731	5,350	5,560	5,779	9000'9	6,225
TOTAL EXPENSES	16,379	17,030	17,706	18,411	19,089	19,611	20,391	21,204	22,047	22,860
CASH FLOW FROM OPERATION	8,974	9,337	9,715	10,107	10,484	12,080	12,567	13,073	13,601	14,107
OTHER EXPENSES										
Interest costs	2,231	2,288	2,348	2,409	2,469	2,409	2,466	2,525	2,587	2,646
Capital cost allowance (1/3)	4,203	4,361	4,526	495	501	4,203	4,361	4,526	495	501
Start-up costs	5,986	3,446	758	and dispersion of the	-	7,465	1,997	-		
TOTAL	12,420	10,095	7,632	2,904	2,970	14,077	8,824	7,051	3,082	3,147
PROFIT (LOSS) BEFORE TAXES (	(3,446)	( 758)	2,083	7,203	7,514	(1,997)	3,743	6,022	10,519	10,960
Income taxes (46%)	The same man dipol	mades spine spine simbs	958	3,313	3,456		1,722	2,770	4,839	5,042
NET PROFIT (LOSS)	(3,446)	( 758)	1,125	3,890	4,058	( 1,997)	2,021	3,252	5,680	5,918
NET CASH FLOW	8,974	9,337	8,757	6,794	7,028	12,080	10,845	10,303	3,762	9,065

ROI AT \$10: 40.9%

### CAPITAL COSTS (TORONTO – HAMILTON – KITCHENER – LONDON) SCHEDULE OF EXPENSES (1978 TO 1982)

	(1)	(2) \$	(3) \$	(4) \$	(5) \$
				1.40	102
CAPITAL COST ALLOWANCE		+4%	+4%	+4%	+3.7
Origination centers	349,300	anne ages anne ame		gazza escala destan-sallan	
Intra-city microwaves	375,000				
Terminal devices	11,884,050	+ 457,362	+ 494,376	+ 514,152	+ 494,614
	12,608,350	457,362	494,376	514,152	494,614
Depreciation (over three years)					
(1)	4,020,783	4,020,783	4,020,783	edo stes ann este	agrico teligio valida all'ida
(2)		158,454	158,454	158,454	
(3)			164,792	164,792	164,792
(4)				171,384	171,384
(5)		that then save time	many days were desired	and the same of	164,871
TOTAL	4,020,783	4,361,237	4,526,029	494,630	501,047
START-UP COSTS		\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs		5,915,616		7,394,520	
Initial operating losses		70,000		70,000	
		5,985,616		7,464,520	
TOTAL CAPITAL	(1)	(2)	(3)	(4)	(5)
at \$8	18,593,966	19,069,328	19,563,704	20,077,856	20,572,470
at \$10	20,072,870	20,548,232	21,042,608	21,556,760	22,051,374
Present value of capital outflow (12% discount)					
at \$8	18,593,966				
at \$10	20,072,870	+ 424,430	+ 394,113	+ 365,963	+ 314,843
TOTAL	at \$8	\$20,092,809	at \$10	\$21,571,713	
EQUIPMENT	s	%			
Terminal devices	13,383	94.9			
Origination centers	349	2.5			
Intra-city microwave	375	2.6			
	14,107	100.0			

PAY-TV ONTARIO MICROWAVE NETWORK CASH FLOW STATEMENTS (1978 TO 1982) (\$000's)

# (1) (2)	\$ \$ 37,452 14,981 1,873 16,854 174 2,247	\$ (4) \$ 38,613 15,445 17,376	(5)	Ē \$	(2)	*RATE\$10	(4)	(5)
\$ \$ 35,234 1,762 1,762 15,856 1,056 1,056 1,056 1,056 1,056 1,056 1,056 1,056		(4) \$ 38,613 15,445 1,931 17,376	\$ \$ 39,694	E &	(2)	(3)	8 (4)	(5)
35,234 1,762 1,762 15,856 1,056 1,056 1,056 1,056 1,056 1,056 1,056 1,056 1,056 1,056		38,613 15,445 1,931 17,376	39,694			Pour aftern config to part of the configuration of	the state of the s	
14,094 1,762 15,856 1,056 1,056 1,056 1,056 1,005 1,00		15,445		44,042	45,408	46,815	48.267	49.618
14,094 1,762 15,856 1,056 160 1,056 4,404 7,734		15,445						
1,762 15,856 1,056 160 2,114 4,404 7,734	<del>-</del>	1,931	15,878	17,617	18,163	18,726	19,307	19,847
15,856 1,056 160 2,114 4,404 7,734	-	17,376	1,895	2,202	2,270	2,341	2,413	2,481
1,056 160 2,114 4,404 7,734			17,863	19,819	20,433	21,607	21,720	22,238
1,056 160 2,114 4,404 7,734								
2,114 4,404 7,734		1,056	1,056	1,056	1,056	1,056	1,056	1,056
al admin. (\$12) 2,114 4,404 7,734		182	180	180	167	174	182	190
al admin. (\$12) 4,404		2,317	2,381	2,643	2,724	2,809	2,896	2,977
7,734	1 4,682	.4,827	4,961	4,404	4,541	4,682	4,827	4,961
	4 8,159	8,382	8,588	8,263	8,488	8,721	8,961	9,184
TOTAL EXPENSES 23,590 24,290	0 25,013	25,758	26,451	28,082	28,921	29,788	30,681	31,512
CASH FLOW FROM OPERATION 11,644 12,036	12,439	12,855	13,243	15,960	16,487	17,027	17,586	18,106
OTHER EXPENSES								
Interest costs 3,091 3,153	3 3,216	3,281	3,342	3,338	3,399	3,463	3,528	3,589
Capital cost allowance (1/3) 5,746 5,917	6,093	528	526	5,746	5,917	6,093	528	526
Start-up costs 5,714	4 2,748	the min sale of		10,577	3,701		may now may aus	state that much than
TOTAL 17,358 14,784	4 12,057	3,809	3,868	19,661	13,017	9,556	4,056	4,115
PROFIT (LOSS) BEFORE TAXES (5,714) (2,748)	8) 382	9,046	9,375	( 3,701)	3,470	7,471	13,530	13,991
Income taxes (46%)	- 176	4,161	4,313		1,596	3,437	6,224	6,436
NET PROFIT (LOSS) ( 5,714) ( 2,748)	8) 206	4,885	5,062	( 3,701)	1,874	4,034	7,306	7,555
NET CASH FLOW 11,644 12,036	6 12,263	8,694	8,930	15,960	14,891	13,590	11,362	11,670
				W4				

ROI AT \$ 8: 29.5% ROI AT \$10: 39.3%

### CAPITAL COSTS (ONTARIO SYSTEMS ON MICROWAVE NETWORK) SCHEDULE OF EXPENSES (1978 TO 1982)

	(1)	(2) \$	(3) \$	(4) \$	(5) <b>\$</b>
CAPITAL COST ALLOWANCE	states report states	+3.1%	+3.1%	+3.1%	+2.8%
Origination centers	349,300				
Intra-city microwaves	375,000				
Terminal devices	16,515,855	+ 511,992	+ 527,863	+ 544,227	+ 506,798
	17,240,155	511,992	<b>527,86</b> 3	544,227	506,798
Depreciation (over three years)					
(1)	5,746,718	5,746,718	5,746,718		
(2)		170,664	170,664	170,664	
(3)		manufacture and the selection	175,954	175,954	175,954
(4)				181,409	181,409
(5)				ALC: 100 100 100	168,933
TOTAL	5,746,718	5,917,382	6,093,336	526,027	526,296
START-UP COSTS		\$8 (\$22.40)		\$10 (\$28.00	
Front-end costs		8,221,226		10,276,532	
Initial operating		300,000		300,000	
Losses		8,521,226		10,576,532	
TOTAL CAPITAL	(1)	(2)	(3)	(4)	(5)
at \$8	25,761,381	26,273,373	<b>2</b> 6,801,236	27,345,463	27,852,261
at \$10	27,816,687	28,238,679	28,856,542	29,400,769	<b>2</b> 9,907,567
Present value of capital outflow (12% discount)					
at \$8	25,761,381	1 457 400	1 400 000		
at \$10	27,816,687	+ 457,136	+ 420,809	+ 387,370	+ 322,079
TOTAL	at \$8	\$27,348,775	at \$10	\$29,404,081	

PAY-TV PROVINCE OF ONTARIO CASH FLOW STATEMENTS (1978 TO 1982) (\$000's)

1,   1,   1,   1,   1,   1,   1,   1,			Section of the Control of the Control		FENCINATION: 25%	ON: 25%					
11   12   13   14   15   15   15   15   15   15   15					\$8						
NSES  197938 39,114 40,326 41,576 42,741 41,422 48,892 50,408 51,970 18,897 1,956 2,016 2,079 2,137 2,377 2,377 2,377 2,377 2,383 21,340 2,583 22,387 2,388 2,388		\$ (1)	(2)			(5)	€ M		(C) 169		(2)
NSES  15,175 15,646 16,130 16,630 17,096 18,969 19,557 20,163 20,788  17,072 17,602 18,146 18,709 19,233 21,340 22,002 22,683 23,387  ENSES  17,072 17,602 18,146 18,709 19,233 21,340 22,002 22,683 23,387  ENSES  1,056 1,05	REVENUES	37,938	39,114	40,326	41,576	42,741	47,422	48.892	50.408	51 970	53 426
Harring   Harr	PROGRAM EXPENSES										27.2
FINSES  17,072 17,602 18,146 18,709 19,233 21,340 22,002 22,683 23,387  ENSES  17,072 17,602 18,146 18,709 19,233 21,340 22,002 22,683 23,387  ENSES  1,056	Acquisition costs (40%)	15,175	15,646	16,130	16,630	17,096	18,969	19,557	20,163	20,788	21.370
FINSES  17,072 17,602 18,146 18,709 19,233 21,340 22,002 22,683 23,387 25  10.66 1,056 1,0	Levy costs (5%)	1,897	1,956	2,016	2,079	2,137	2,371	2,445	2,520	2,599	2.671
FINSES  1,056 1,05	TOTAL	17,072	17,602	18,146	18,709	19,233	21,340	22,002	22,683	23,387	24,041
tr 1,056 1,0	OPERATING EXPENSES										
centers 418 445 474 505 538 418 445 474 505 538 512   2,276 2,347 2,420 2,495 2,564 2,945 2,934 3,024 3,118   512) 4,742 4,889 5,041 5,197 5,343 7,742 4,889 5,041 5,197   8,492 8,737 8,991 9,253 9,501 9,061 9,324 9,595 9,876   5 25,564 26,339 27,137 27,962 28,734 30,401 17,566 18,130 18,707 115    MOPERATION 12,374 12,775 13,189 13,614 14,007 17,021 17,566 18,130 18,707 115    Samce (1/3) 6,368 6,552 6,741 569   9,227 6,621 3,864 695   9,503 4,452 2,334 3,604 4,494    EFORE TAXES (6,621) (3,864) ( 950) 8,491 9,770 (4,452) 2,831 7,589 14,268 14    EFORE TAXES (6,621) (3,864) ( 950) 8,491 9,770 (4,452) 2,831 7,589 14,288 14    SS) (6,621) (3,864) ( 950) 8,494    12,374 12,775 13,189 9,708 9,513 17,021 16,594 14,639 12,144 17	Transmission costs	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1.056	1.056	1 056
Size   1,276   2,374   2,420   2,495   2,564   2,945   2,934   3,024   3,118   3,185	Costs-origination centers	418	445	474	505	538	418	445	474	505	538
\$12) 4,742 4,889 5,041 5,197 5,343 7,742 4,889 5,041 5,197 5,197 5,343 7,742 4,889 5,041 5,197 5,197 5,2564 26,339 27,137 27,962 28,734 30,401 31,326 32,278 33,263 3,363 3,263 3,364 12,775 13,189 13,614 14,007 17,021 17,566 18,130 18,707 17,021 12,374 12,775 13,189 13,614 14,007 17,021 17,566 18,130 18,707 17,021 18,995 16,639 14,139 5,123 4,237 21,743 14,735 10,541 4,439 14,268 11,369 12,775 13,189 9,706 4,494 17,021 16,264 14,639 17,705	Marketing-operation (6%)	2,276	2,347	2,420	2,495	2,564	2,845	2,934	3,024	3,118	3,206
S 25,564 26,339 27,137 27,962 28,734 9,061 9,324 9,595 9,876 1  MOPERATION 12,374 12,775 13,189 13,614 14,007 17,021 17,566 18,130 18,707 1  S 3,400 3,466 3,534 3,604 3,670 3,665 3,731 3,800 3,870	General admin. (\$12)	4,742	4,889	5,041	5,197	5,343	7,742	4,889	5,041	5,197	5,353
S 25,564 26,339 27,137 27,962 28,734 30,401 31,326 32,278 33,263 33,263 33,263 33,263 33,263 33,263 33,263 33,263 33,263 33,263 33,400 3,466 3,534 3,604 3,670 3,665 3,731 3,800 3,870 3,670 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 3,731 3,800 3,870 3,670 11,440 4,452 ————————————————————————————————————	Total	8,492	8,737	8,991	9,253	9,501	9,061	9,324	9,595	9,876	10,143
MOPERATION 12,374 12,775 13,189 13,614 14,007 17,021 17,566 18,130 18,707 18,707 3,665 3,731 3,800 3,870 3,870 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 9,227 6,621 3,864 950 ———————————————————————————————————	OTAL EXPENSES	25,564	26,339	27,137	27,962	28.734	30,401	31,326	32,278	33,263	34,184
3,400 3,466 3,534 3,604 3,670 3,665 3,731 3,800 3,870 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 9,227 6,621 3,864 950 ———————————————————————————————————	SASH FLOW FROM OPERATION	12,374	12,775	13,189	13,614	14,007	17,021	17.566	18.130	18 707	19 242
3,400 3,466 3,534 3,604 3,670 3,665 3,731 3,800 3,870 (1,3) 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 569 567 6,368 6,552 6,741 569 569 567 6,368 6,552 6,741 569 569 567 6,621 18,995 16,639 14,139 5,123 4,237 21,743 14,735 10,541 4,439 14,268 14,268 14,268 14,268 14,268 14,268 14,268 12,374 12,775 13,189 9,708 9,513 17,021 16,264 14,639 12,144 1	THER EXPENSES										1
6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 567 6,368 6,552 6,741 569 569 567 6,368 6,552 6,741 569 569 567 6,368 6,552 6,741 569 569 567 6,562 5,743 562 5,723 4,452 5,723 10,541 4,439 5,123 4,237 21,743 14,735 10,541 4,439 14,268 11 5,511 5,	Interest costs	3,400	3,466	3,534	3,604	3,670	3,665	3,731	3,800	3.870	3 935
9,227 6,621 3,864 950 ——— 11,440 4,452 ——— 18,995 16,639 14,139 5,123 4,237 21,743 14,735 10,541 4,439 14,268 14,275 13,189 9,708 9,513 17,021 16,264 14,639 12,144 12,144	Capital cost allowance (1/3)	6,368	6,552	6,741	569	292	6,368	6,552	6,741	269	299
18,995 16,639 14,139 5,123 4,237 21,743 14,735 10,541 4,439 14,268 17 21,743 14,735 10,541 4,439 14,268 17 21,743 14,735 10,541 4,439 14,268 17 21,743 14,735 10,541 4,439 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,275 13,189 9,708 9,513 17,021 16,264 14,639 12,144 14,239	Start-up costs	9,227	6,621	3,864	950	make many passe separate	11,440	4,452			F {
FFORE TAXES (6,621) (3,864) (950) 8,491 9,770 (4,452) 2,831 7,589 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 14,268 12,374 12,775 13,189 9,708 9,513 17,021 16,264 14,639 12,144 14,639 12,144	TOTAL	18,995	16,639	14,139	5,123	4,237	21,743	14,735	10,541	4,439	4.502
77)	ROFIT (LOSS) BEFORE TAXES	( 6,621)	(3,864)	(056)	8,491	9,770	( 4,452)	2,831	7,589	14,268	14,740
SS) (6,621) (3,864) (950) 4,585 5,276 (4,452) 1,529 4,098 7,705 12,374 12,775 13,189 9,708 9,513 17,021 16,264 14,639 12,144 1	Income taxes (46%)		1		3,906	4,494	-	1,302	3,491	6,563	6,780
12,374 12,775 13,189 9,708 9,513 17,021 16,264 14,639 12,144	VET PROFIT (LOSS)	( 6,621)	(3,864)	(056)	4,585	5,276	(4,452)	1,529	4,098	7,705	7,960
	JET CASH FLOW	12,374	12,775	13,189	9,708	9,513	17,021	16,264	14,639	12,144	12,462

ROI AT \$ 10: 28.2% ROI AT \$10: 38.0%

### CAPITAL COSTS (PROVINCE OF ONTARIO) SCHEDULE OF EXPENSES (1978 TO 1982)

	(1) S	(2) \$	(3) \$	(4) \$	(5) <b>\$</b>
CAPITAL COST ALLOWANCE		+3.1%	+3.1%	+3.19	+2.877
Origination centers	. 945,665	-		tains also also tain	
Intra-city microwaves	375,000	dans top title out			-
Terminal devices	17,783,280	+ 551,282	+ 568,371	+ 585,991	+ 545,690
	19,103,945	551,282	568,371	585,991	<b>5</b> 45, <b>69</b> 0
Depreciation (over three years)					
(1)	6,367,982	6,367,982	6,367,982	-	
(2)		183,761	183,761	183,761	480 con and an
(3)		appropriate trans-	189,457	189,457	189,547
(4)			dept to the time time	195,330	195,330
(5)					181,897
TOTAL	6,367,982	6,551,743	6,741,200	568,548	566,684
START-UP COSTS		\$8 (\$22.40)		\$10 (\$28.00)	
Front-end costs		8,852,122		11,065,152	
Initial operating		375,000		375,000	
		9,227,122		11,440,152	
TOTAL CAPITAL	(1)	(2)	(3)	(4)	(5)
at \$8	28,331,067	28,882,349	29,450,720	30,036,711	30,582,401
at \$10	30,544,097	31,095,379	31,663,750	32,249,741	32,795,431
Present value of capital outflow (12% discount)					
at \$8	28,331,067	1 400 040	1 450 461		
at \$10	30,544,097	+ 492,216	+ 453,101	+ 417,097	+ 346,796
TOTAL	at \$8	\$30,040,278	at \$10	\$32,263,308	

# IMMOBILISATIONS (PROVINCE DE L'ONTARIO) FEUILLE DE DEPENSES (de 1978 à 1982) PENETRATION: 25%

	(1)	(2)	<b>(</b> 3)	<b>\$</b> (4)	(5)
PROVISION POUR IMMOBILISATIONS Centres de diffusion Réseau micro-ondes intra-urbain Dispositifs de réception Dépréciation (sur 3 ans) (1) (2) (3) (4) TOTAL	945,665 375,000 17,783,280 19,103,945 6,367,982	+3.1% +551,282 551,282 551,282 6,367,982 183,761	+3.1%	#3.1% # 585,991  585,991  183,761  189,457  195,330  568,548	+2.8% + 545,690 545,690 
FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales		\$8 (\$22.40) 8,852,122 375,000 9,227,122		\$10 (\$28,00) 11,065,152 375,000 11,440,152	
CAPITAL TOTAL  à \$8  à \$10  Valeur actuelle de la sortie de capitaux (escompte à 12%)  à \$8  à \$10  TOTAL	(1) 28,331,067 30,544,097 28,331,067 30,544,097 à \$8	28,882,349 31,095,379 4 492,216 \$30,040,278	(3) 29,450,720 31,663,750 4 453,101 à \$10	(4) 30,036,711 32,249,741 + 417,097 \$32,263,308	(5) 30,582,401 32,795,431 + 346,796

TVP - PROVINCE DE L'ONTARIO ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 25%

	\$ (1)	(2) Ta	Tarif (3)	\$8 (4)	(5)	(1)	(2) Ta	Tarif(3)	\$10 (4)	(5)
REVENUS:	37,938	39,114	40,326	41.576	42.741	47.422	48.892	50 408	51 970	53 426
FRAIS DE PROGRAMMATION				,	,			-	4	1
Frais d'achat (40%)	15,175	15,646	16,130	16,630	17,096	18,969	19,557	20,163	20,788	21,370
rrais de contribution (5%)	1,897	1,956	2,016	2,079	2,137	2,371	2,445	2,520	2,599	2,671
TOTAL	17,072	17,602	18,146	18,709	19,233	21,340	22,002	22,683	23,387	24,041
FRAIS D'EXPLOITATION									,	,
Frais de transmission	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1.056	1.056
Cours des centres de diffusion	418	445	474	505	538	418	445	474	505	538
Commercialisation - exploitation(6%)	2,276	2,347	2,420	2,495	2,564	2,845	2,934	3,024	3,118	3.206
Frais d'administration (\$12)	4,742	4,889	5,041	5,197	5,343	7,742	4,889	5,041	5,197	5,353
FC C B L	8,492	8,737	8,991	9,253	9,501	9,061	9,324	9,595	9,876	10,143
TOTAL DES FRAIS	25,564	26,339	27,137	27,962	28,734	30,401	31,326	32,278	33,263	34,184
RENTREES DE L'EXPLOITATION	12,374	12,775	13,189	13,614	14,007	17,021	17,566	18,130	18,707	19,242
AUTRES FRAIS								,	,	
Provision nour immobilisations (1/2)	3,400	3,466	3,534	3,604	3,670	3,665	3,731	3,800	3,870	3,935
Frais de lancement / nerte renortée	0,368	6,552	6,741	569	567	6,368	6,552	6,741	569	567
******* as taurement / bette tebottee	y, 22/	0,621	3,864	950		11,440	4,452	one one one one one	00 00 00 00 00 00 00	1
TOTAL	18,995	16,639	14,139	5,123	4,237	21,743	14,735	10,541	4,439	4,502
	(6,621)	(3,864)	( 950)	8,491	9,770	(4,452)	2,831	7,589	14,268	14.740
impor sur le revenu (46%)	1 1 1 1 1 1	1 1 1 1	the are on the ten	3,906	4,494	Was the size one one	1,302	3,491	6,563	6,780
PROFIT (PERTE) NET(TE)	(6,621)	(3,864)	( 950)	4,585	5,276	(4,452)	1,529	4.098	7,705	7,960
RENTREES NETTES	12,374	12,775	13,189	9,706	9,513	17,021	16,264	14,639	12,144	12,462

RDI à \$ 8: 28.2% RDI à \$10: 38.0%

### IMMOBILISATIONS (RESEAU ONTARIEN DE MICROONDES) FEUILLE DE DEPENSES (de 1978 à 1982) PENETRATION: 25%

TOTAL	(escompte à 12%) à \$8	CAPITAL TOTAL  à \$8  à \$10  Valeur actuelle de la sortie de capitaux	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales Pertes	PROVISION POUR IMMOBILISATIONS  Centres de diffusion  Réseau micro-ondes intra-urbain  Dispositifs de réception  Dépréciation (sur 3 ans) (1) (2) (3) (4) (5)
<b>3</b> \$8	25,761,381	(1) 25,761,381 27,816,687		(1) \$ 349,300 36,515,855 17,240,155 5,746,718
\$27,348,775	f 457,136	(2) 26,273,373 28,238,679	\$8 (\$22.40) 8,221,226 300,000 8,521,226	(2) \$  #3.1%  #53.1%  #511,992  5,746,718  170,664  170,664  5,917,382
à \$10	<i>‡</i> 420,809	(3) 26,801,236 28,856,542	10,276,532	(3) \$  13.1%  1527,863  527,863  527,863  5,746,718  170,664  175,954  6,093,336
\$29,404,081	f 387,370	(4) 27,345,463 29,400,769	\$10 (\$28.00) 10,276,532 300,000 10,576,532	(4) \$ #3.17 # 544,227 544,227 170,664 175,954 181,409 526,027
	‡ 322,079	27,852,261 29,907,567		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
			-	ZE-

TVP - RESEAU ONTARIEN DE MICROONDES ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 25%

				00			1	Tarif	\$10	
	* E	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
REVENUS: FRAIS DE PROGRAMMATION	35,234	36,326	37,452	38,613	39,694	44,042	45,408	46,815	48,267	49,618
Frais d'achat (40%) Frais de contribution (5%)	14,094	14,530	14,981	15,445	15,878	17,617	18,163	18,726	19,307	19,84
TAT TO STATE OF THE STATE OF TH	1,702	7,816	1,8/3	1,931	1,895	2,202	2,270	2,341	2,413	2,481
TOTAL	15,856	16,346	16,854	17,376	17,863	19,819	20,433	21,607	21,720	22,238
FRAIS D'EXPLOITATION									,	
Frais de transmission	1,056	1,056	1,056	1,056	1.056	1.056	1 056	1 056	1 050	
Cours des centres de diffusion	160	167	174	182	190	160	167	1,000	100	T, 0
Frais d'administration - exploitation (6%)	2,114	2,180	2,247	2,317	2,381	2.643	2.724	2 809	2 806	ى 0 +
Total	4,404	4,541	4,682	4,827	4,961	4,404	4.541	4.682	4 827	70 7
	1,134	7,944	8,159	8,382	8,588	8,263	8,488	8,721	8.961	9.18
LUIAL DES FRAIS	23,590	24,290	25,013	25,758	26,451	28.082	28.921	29.788	30 681	מ ו
RENTREES DE L'EXPLOITATION	11,644	12,036	12,439	12.855	13.243	15 060	16 / 97	17 007		4 6 6 6
AUTRES FRAIS			•		1	10,000	10,401	1/,02/	17,586	18,106
Provision pour immobilisations(1/3)	3,091	3,153	3,216	3,281	3,342	3,338	3,399	3,463	3.528	3 59
Frais de lancement / perte reportée	8 521	5,917	6,093	528	526	5,746	5,917	6,093	528	526
TOTAL	1 (	79/14	4,140	1 1 1	40 mg co co co	10,577	3,701		1	
and (Depart) Attain Taron	17,358	14,784	12,057	3,809	3,868	19,661	13,017	9,556	4,056	4,115
	(5,714)	(2,748)	382	9,046	9,375	(3,701	3.470	7.471	13 530	12 00
The Court of the Actual (40%)	1	1 1 1 1	176	4,161	4,313		1,596	3,437	6,224	6.43
PROFIT (PERTE) NET(TE)	(5,714)	(2,748)	206	4,885	5,062	(3,701)	1.874	4.034	7 306	7 555
RENTREES NETTES	11,644	12,036	12,263	8,694	8,930	15,960	14.891	13,590	11 362	11 670

RDI à \$ 8: 29.5% RDI à \$10: 39.3%

# IMMOBILISATIONS (TORONTO-HAMILTON-KITCHENER-LONDON) FEUILLE DE DEPENSES (de 1978 à 1982)

\$\$ \$\$ \$\$  \$\$  \$\$  \$\$ \$\$  \$\$  \$\$ \$\$   \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$  \$\$	EQUIPEMENT  \$ %  Dispositifs de réception 13,383 94.9  Centres de diffusion 349 2.5	CAPITAL TOTAL  a \$8 a \$10 Valeur actuelle de la sortie de capitaux (escompte à 12%)  a \$10 20,072,870 20,548,232 2  20,072,870 20,548,232 2  20,072,870 20,548,232 2 20,072,870 20,072,870 20,072,870 20,072,870 3 \$10 20,072,870 3 \$20,092,809	FRAIS DE LANCEMENT \$8 (\$22.40) Frais de mise en marché Pertes d'exploitation initiales 5,915,616 70,000 5,985,616	PROVISION POUR IMMOBILISATIONS  Centres de diffusion  Réseau micro-ondes intra-urbain  Dispositifs de réception  Dépréciation (sur 3 ans)  (1)  (2)  (3)  (4)  TOTAL  747  349,300	(1) (2) \$
(5) \$ +3.7% 		+	\$10 (\$28.00) 7,394,520 70,000 7,464,520	+-	
		20,572,470 22,051,374			(5) \$#

TVP - TORONTO-HAMILTON-KITCHENER-LONDON ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 25%

								5	,	
	(1) \$	(2)	(3) \$	\$ (4)	(5) \$	(1) <b>\$</b>	<b>⇔</b> (2)	(3) \$	<b>\$</b> (4)	(5)
REVENUS:	25,353	26,367	27,421	28,518	29,573	31,691	32,958	34,277	35,648	36,967
FRAIS DE PROGRAMMATION Frais d'achat (40%) Frais de contribution (5%)	10,141	10,547 1,318	10,968 1,371	11,407 1,426	11,829	12,676 1,585	13,183 1,648	13,711	14,259	14,787
TOTAL	11,409	11,865	12,339	12,833	13,308	14,261	14,831	15,425	16,041	16,635
PRAIS D'EXPLOITATION Frais de transmission Coûts des centres de diffusion	120	120	120	120	120 190	120	120 167	120	120	120
Commercialisation - exploitation(6%) Frais d'administration (\$12) Total	1,521 3,169 4,970	1,582 3,296 5,165	1,645 3,428 <b>5</b> ,367	1,711 3,565 5,578	1,774 3,697 5,781	1,901 3,169 5,350	1,977 3,296 5,560	2,057 3,428 5,779	2,139 3,565 6,006	2,218 3,697 6,225
TOTAL DES FRAIS	16,379	17,030	17,706	18,411	19,089	19,611	20,391	21,204	22,047	22,860
RENTREES DE L'EXPLOITATION	8,974	9,337	9,715	10,107	10,484	12,080	12,567	13,073	13,601	14,107
AUTRES FRAIS Frais d'intérêt Provision pour immobilisations (1/3) Frais de lancement / perte reportée	2,231 4.203 5,986	2,288 4,361 3,446	2,348 4,526 758	2,409	2,469	2,409 4,203 7,465	2,466 4,361 1,997	2,525 4,526	2,587	2,646
TOTAL	12,420	10,095	7,632	2,904	2,970	14,077	8,824	7,051	3,082	3,147
PROFIT (PERTE) AVANT IMPOT Impôt sur le revenu (46%)	(3,446)	( 758)	2,083 958	7,203	7,514 3,456	(1,997)	3,743 1,722	6,022 2,770	10,519	10,960 5,042
PROFIT (PERTE) NET(TE)	(3,446)	( 758)	1,125	3,890	4,058	(1,997)	2,021	3,252	5,680	5,918
RENTREES NETTES	8,974	9,337	8,757	6,794	7,028	12,080	10,845	10,303	3,762	9,065

RDI à \$ 8: RDI à \$10:

31.6%

# IMMOBILISATIONS (TORONTO METROPOLITAIN) FEUILLES DE DEPENSES (de 1978 à 1982) PENETRATION: 25%

EQUIPEMENT Dispositifs de réception Centres de diffusion Réseau micro-ondes intra-urbain	CAPITAL TOTAL  \$ \$ \$ 8 \$ \$ \$ \$ 10  Valeur actuelle de la sortie de capitaux (escompte à 12%) \$ \$ \$ \$ \$ \$ 10  TOTAL	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales	PROVISION POUR IMMOBILISATIONS Centres de diffusion Réseau micro-ondes intra-urbain Dispositifs de réception Dépréciation (sur 3 ans) (1) (2) (3) (4) (5)	
\$ 9,268 9,48 348 272 9,892	(1) 12,851,365 13,863,941 12,851,365 13,863,941 à \$		(1) \$ 349,300 275,000 8,136,765 8,761,065 2,920,355 2,920,355	
% 93.7 3.5 2.8 100.0	13,209,383 14,221,959 2 319,658	\$8 (\$22.40) 4,050,300 40,000 4,090,300	(2) \$ \$ 44.4% 358,018 4 358,018 2,920,355 119,339 	
	(3) 13,583,153 14,595,729 + 297,967 \$13,982,104		44.4% 44.4% 373,770 373,770 2,920,355 119,339 124,590 	
	13,973,369 14,985,945 4 277,748	\$10 (\$28.00) 5,062,876 40,000 5,120,876	(4) \$ 	
	14,343,720 15,356,206 \$14,994,680		(5) \$   +4.0%	

TVP - TORONTO METROPOLITAIN
ETATS DE RENTREES D'ARGENT
(1978 à 1982)
(milliers de dollars)
Pénétration: 25%

	NET CO	PROPEL (PERTE) NET(TE)			AUTRES FRAIS Frais d'intérêt Provision pour immobilisations (1/3)	RENTREES DE L'EXPLOITATION	TOTAL DES FRAIS	Total	Frais d'administration (%12)	Coûts des centres de diffusion	Frais de transmission	TOTAL	Frais d'achat (40%) Frais de contribution (5%)	FRAIS DE PROGRAMMATION	REVENUS:		
	6,176	(2,376)	( 2,376)	8,552	2,920 4,090	6,176	11,182	3,372	1,041	160	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	7,811	6,943 868		17,358	(1) \$	
	6,448	( 553)	( 553)	7,001	3,040	6,448	11,674	3,519	1,087	167	1 1 1 1	8,155	7,249 906		18,122	(2)	
	6,094	747	1,384	5,347	3,164 553	6,731	12,188	3,674	1,135	174	!	8,514	7,568 946		18,919	(3)	
DAT 3 ¢ Q.	4,739	2,688	4,977 2,289	2,051	374	7,028	12,724	3,836	1,185	182	]   	8,888	7,901 987		19,752	\$6 (4) \$	•
31 39	4,911	2,812	5,208 2,396	2,099	378	7,307	13,235	2,568 3,991	1,233	190	D	9,244	8,217 1,027		20,542	(5) <b>\$</b>	
	8,303	(1,384)	(1,384)	9,687	2,920 5,103	8,303	13,395	2,170 3,632	1,302	160		9,763	8,679 1,084	,	21,698	\$ (1)	
	7,501	1,370	2,537 1,167	6,131	3,040 1,384	8,668	13,985	2,265 3,791	1,359	167		10,194	9,061 11,133		22,653	(2) \$	
	7,147	2,232	4,134 1,902	4,915	3,164	9,049	14,600	2,365 3,958	1,419	174		10,642	9,460 1,182	1	23,649	rif (3)	
	6,100	3,928	7,275 3,347	2,172	374	9,447	15,243	2,469 4,132	1,481	182		11,111	9,876 1,235		24.690	\$10 (4) \$	
	6,327	4,106	7,603 3,497	2,221	378	9,824	15,854	2,568 4,299	1,541	190		11,555	10,271 1,284	(	25.678	(5)	

RDI à \$ 8: 31.3% RDI à \$10: 40.6%

### TVP - ONTARIO RENDEMENT DES INVESTISSEMENTS PENETRATION: 25%

		Tarif	\$ 00			Tarif —	\$10			
natone	Capital (milliers	Capital (val. act.) (milliers de dollars)	RDI -	24	Capita (milli	Capital (val. act.) (milliers de dollars)	s)	RDI - %		
Toronto métropolitain	13,982		31.3		14,995	95	4	40.6		
Toronto-Hamilton Kitchener-London	20,093		31.6	5	21,572	72	4	40.9		
Réseau ontarien	27,345		29.5	5	29,404	04	w	39.3		
Province d'Ontario	30,040		28.2	2	32,263	63	ų	38.0		
Abonnés à la TVP	To	tal des abon	Total des abonnés ayant accès au service	s au service				Pénétration:	25%	-97
Marché	(E)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Toronto métropolitain	723,268	755,092	788,316	823,004	855,924	180,817	188,773	197,079	205,751	213,981
Toronto-Hamilton- Kitchener-London	1,056,360	1,098,616	1,142,560	1,188,264	1,232,228	264,090	274,656	285,640	297,066	308,057
Réseau ontarien	1,468,076	1,513,588	1,560,508	1,608,884	1,653,932	367,019	378,397	390,127	402,221	413,483
Province d'Ontario	1,580,736	1,629,740	1,680,260	1,732,348	1,780,856	395,184	407,435	420,065	433,087	445,214
		The state of the s	The state of the s	and or 1990 is terminal and control of the control	and the second s	A spiritual and the spiritual	weeken with the day of the week of the fall of the same			

3. ETATS DE RENTREES D'ARGENT ET FEUILLE DE DEPENSES (TELEVISION A

### TVP NATIONALE INVESTISSEMENTS DE CAPITAL (Milliers de dollars)

- à \$8	CAPITAL TOTAL 100.0 \$42,737 \$45,565 100.0 100.0 \$55,027 \$58,798 100.0 100.0 \$67,317 \$72,030 100.0	MISE DE FONDS       7,606       7,606       9,736       9,736       11,866 <th>Equipement (75%) 53.4 22,819 22,819 50.1 53.1 29,209 29,209 49.7 52.9 35,598 35,598 49.4</th> <th>DETTE/MISE DE FONDS % \$ \$ % % % \$ % % % \$ % % % % % % % %</th> <th>CAPITAL A INVESTIR  \$30,425 \$30,425 \$30,425  Equipement 12,312 15,140 16,082 19,853 19,853 24,566  TOTAL  \$42,737 \$45,565 \$55,027 \$58,798 \$67,317 \$72,030</th> <th>\$8 \$10 \$8 \$10</th> <th>15% 20% 25%</th>	Equipement (75%) 53.4 22,819 22,819 50.1 53.1 29,209 29,209 49.7 52.9 35,598 35,598 49.4	DETTE/MISE DE FONDS % \$ \$ % % % \$ % % % \$ % % % % % % % %	CAPITAL A INVESTIR  \$30,425 \$30,425 \$30,425  Equipement 12,312 15,140 16,082 19,853 19,853 24,566  TOTAL  \$42,737 \$45,565 \$55,027 \$58,798 \$67,317 \$72,030	\$8 \$10 \$8 \$10	15% 20% 25%
TOT	\$67,317 \$72,030	11,866 11,866 19,853 24,566 31,719 36,432	35,598 35,598				25%
		50.6 4:	49.4 53				
51.2%-dette 48.8%-mise de fonds	100.0 \$79,608	13,966 23,624 47.3 37,620	52.7 41,988	%	\$55,984 23,624 \$79,608	\$8	ω
onds	\$85,264	13,966 29,280 43,276	41,988	40	\$55,984 29,280 \$85,264	\$10	30%
	100.0	50.8	49.2	%			

### TYP NATIONALE FEUILLE DE DEPENSES (1978 à 1982) PENETRATION: 30%

EQUIPEMENT  Dispositifs de réception Centres de diffusion Réseau micro-ondes intra-urbain TOTAL	CAPITAL TOTAL  à \$8 à \$10 Valeur actuelle de la sortie de capitaux (escompte à 12%) à \$8 à \$10 TOTAL	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales	PROVISION POUR IMMOBILISATIONS  Centres de diffusion  Réseau micro-ondes intra-urbain  a)  Dispositifs de réception  TABLEAU (a) 20% déclin (b) 1/3 ligne droite (1) (2) (3) (4) (5)  TOTAL	
\$ 51,117,123 4,266,955 600,000 55,984,078	(1) 73,940,753 79,596,736 73,940,753 79,596,736 à \$8		4,266,955 4,266,955 4,866,955 45,449,865 50,316,820 973,391 15,149,955 	<b>4</b> (1)
91 8 8 1	(2) 75,758,748 81,414,731 1,623,210	\$8 (\$22.40) 22,623,933 1,000,000 23,623,933	#4.0%  1,817,995  1,817,995  1,817,995  1,817,995  1,817,995  16,534,666	(2)
	(3) 77,649,462 83,305,445 1,507,266 79,608,011 à		1,890,714 1,890,714 1,890,714 1,890,714 622,970 15,149,955 605,998 630,238	(3) \$
	79,615,805 85,271,788 1,399,604	\$10 (\$28.00) 28,279,916 1,000,000 29,279,916	#4.0%  1,966,343  1,966,343  1,966,343  605,998 630,238 655,448 2,390,060	(4) \$
	81,405,177 87,061,160 1,137,178 85,263,994		#3.5%	(5) **

SERVICE NATIONAL DE TYP ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 30%

			3	>			Tax	3.5		
	\$ (1)	(2)	Tarit (3)	\$\$ \$\$	(5) \$	(1) \$	(2)	(3)	(4)	(5) <b>\$</b>
REVENUS:	96,958	100,836	104,870	109,064	112,882	121,197	126,045	131,087	136,330	141,109
FRAIS DE PROGRAMMATION Frais d'achat (40%)	38,783	40,334	41,948	43,626	45,153	48,479	50,418	52,435	54,532	56,444
Frais de contribution (5%)	4,848	5,041	5,244	5,453	5,644	6,060	6,302	6,554	6,817	7,055
TOTAL	43,631	45,375	47,192	49,079	50,797	54,539	56,720	58,989	61,349	63,499
FRAIS D'EXPLOITATION Frais de traismission	2,448	2.448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448
Coûts des centres de diffusion	1,837	1,956	2,084	2,219	2,363	1,837	1,956	2,084	2,219	2,363
Commercialisation - exploitation (6%)	5,817	6,050	6,292	6,544	6,773	7,272	7,563	7,865	8,180	8,467
Frais d'administration (\$12)	12,120	12,605	13,109	13,633	14,110	12,120	12,605	13,109	13,633	14,110
Total	22,222	23,059	23,933	24,844	25,694	23,6//	24,5/2	000,00	26,480	27,300
TOTAL DES FRAIS	65,853	68,434	71,125	73,923	77,491	78,216	81,292	84,495	87,829	90,887
RENTREES DE L'EXPLOITATION	31,105	32,402	33,745	35,141	35,391	42,981	44,753	46,592	48,501	50,222
AUTRES FRAIS Frais d'intérêt (à 12%)	8,873	<b>9.</b> 091	9,318	9,554	9,769	9,552	9,770	9,997	10,233	10,447
Provision pour immobilisations	16,123	16,535	17,009	2,390	2,281	16,123	16,535	17,009	2,390	2,281
Frais de lancement / perte reportée	23,624	17,515	10,739	3,321	and the strip one strip one	29,280	11,974	1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 1 1
TOTAL	48,620	43,141	37,066	15,265	12,050	54,955	38,279	27,006	12,623	12,728
PROFIT (PERTE) AVANT IMPOT	(17,515)	(10,739)	(3,321)	19,876	23,341	(11,974)	6,474	19,586	35,878	37,494
Impôt sur le revenu (46%)			F 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	9,143	10,737		2,978	9,010	16,504	17,847
PROFIT (PERTE) NET(TE)	(17, 515)	(10,739)	(3,321)	10,733	12,605	(11,974)	3,496	10,576	19,374	20,247
RENTREES NETTES	31,105	32,402	33,745	25,998	24,654	42,981	41,775	37,582	31,997	32,975
							Depresión expression de retay commençators de retay en en estadors de retay en estadors de re			

RDI à \$ 8: 26.3% RDI à \$10: 36.2%

### TVP NATIONALE FEUILLE DE DEPENSES (1978 à 1982)

EQUIPEMENT  Dispositifs de réception  Centres de diffusion  Réseau micro-ondes intra-urbain  TOTAL	CAPITAL TOTAL à \$8 à \$10 Valeur actuelle de la sortie de capitaux (escompte à 12%) à \$8 à \$10 TOTAL	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales	PROVISION POUR IMMOBILISATIONS Centres de diffusion Réseau micro-ondes intra-urbain a) Dispositifs de réception TABLEAU (a) 20% déclin (b) 1/3 ligne droite (2) (3) (4) (4) (5)	
\$ 42,596,760 4,266,955 600,000 47,463,715	(1) 62,594,008 67,307,237 62,594,008 67,307,237 â \$8		4,266,955 600,000 4,866,955 37,874,138 42,741,093 973,391 12,624,713	(1) \$
700 1 1 20 30	(2) 64,108,974 68,822,203 1,352,648	\$8 (\$22.40) 18,852,915 1,000,000 19,852,915	74.0z	(2)
	(3) 65,684,538 70,397,767 1,256,030 67,316,630 à \$10		#4.CZ	\$ (3)
	(4) 67,323,125 72,036,354 1,166,314	\$10 (\$28.00) 23,566,144 1,000,000 24,566,144	1,638,587 1,638,587 1,638,587 698,376	\$ (4)
	(5) 68,814,239 73,527,468 947,630 72,029,859		#3.5%  #3.5%  1,491,114  1,491,114  1,491,114  525,189  546,196  497,038  1,967,124	(5)

SERVICE NATIONAL DE TVP ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 25%

		3								
	\$ (1)	\$ 2	(3)	\$6 (4)	(5)	(1) \$	(2) \$	(3)	(4)	(5)
REVENUS:	80,798	84,030	87,391	90,887	94,068	100,998	105,038	109,239	113,609	117,585
FRAIS DE PROGRAMMATION Frais d'achat (40%) Frais de contribution (5%)	32,319 4,040	33,612 4,202	34,956 4,370	36,355 4,544	37,627 4,703	40,399 5,050	42,015 5,252	43,696 5,462	45,444 5,680	47,034 5,874
TOTAL	36,359	37,814	39,326	40,899	42,330	45,449	47,267	49,158	51,124	52,913
FRAIS D'EXPLOITATION Frais de transmission	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448	2,448
Coûts des centres de diffusion	1,837	1,956	2,084	2,219	2,363	1,837	1,956	2,084	2,219	2,363
Commercialisation - exploitation(6%) Frais d'administration (\$12)	10,100	5,042 10.504	5,243 10.924	5,453	5,644	10.100	5,042 10.504	6,554 10.924	6,817	7,055
Total	19,233	19,950	20,699	21,481	22,214	20,444	21,210	22,010	22,845	23,625
TOTAL DES FRAIS	55,592	57,764	60,025	62,380	64,544	65,893	68,477	71,168	73,969	76,538
RENTREES DE L'EXPLOITATION	25,206	26,266	27,366	28,507	29,524	35,105	36,561	38,071	39,640	41,047
AUTRES FRAIS Frais d'intérêt (à 12%)	7.511	7,693	7.882	8,079	8,258	8.077	8,259	8.448	8.644	8,823
Provision pour immobilisations Frais de lancement / nerte renortée	13,598	13,908	14,278	2,075	1,967	13,598	13,908	14,278	2,075	1,967
TOTAL	40,962	37,357	33,251	16,039	10,225	46,241	33,030	22,726	10,719	10,790
	(15,756)	(11,091)	(5,585	12,468	19,299	(11,136)	3,258	15,345	28,921	30,257
Impôt sur le revenu (46%)	1 1 1 1	des une une son son con con-	grat you can our our gar	5,735	8,878	and the same of th	11,499	7,059	13,304	13,918
PROFIT (PERTE) NET(TE)	(15,756)	(11,091)	(5,885)	6,733	10,421	(11,136)	11,759	8,286	15,617	16,339
RENTREES NETTES	25,206	26,266	27,366	22,772	20,646	35,105	35,062	31,012	26,336	27,129
		and the second s								

RDI a \$8: 24.87 RDI a \$10: 34.87

TVP NATIONALE FEUILLE DE DEPENSES (1978 à 1982)

CAPITAL TOTAL  à \$8  à \$10  Valeur actuelle de la sortie de capitaux (escompte à 12%)  à \$8  à \$10  TOTAL	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales	PROVISION POUR IMMOBILISATIONS Centres de diffusion Réseau micro-ondes intra-urbain a) Dispositifs de réception TABLEAU (a) 20% déclin (b) 1/3 ligne droite (2) (3) (4) (5)	
(1) 51,248,588 55,019,169 51,248,588 55,019,169 3 \$8		4,266,955 600,000 4,866,955 30,299,310 35,166,265 973,391 10,099,770	\$ (1)
(2) 52,460,560 56,231,593	\$8(\$22.40) 15,082,323 1,000,000 16,082,323	74.0%  1,211,972 1,211,972 1,211,972 778,713 10,099,770 403,991	(2) \$
(3) 53,721,012 . 57,491,593 1,004,825 55,026,686 a		1,260,452 1,260,452 1,260,452 622,970 10,099,770 403,991 420,151	(3)
55,031,881 58,802,462 933,051	\$10(\$28.00) 18,852,904 1,000,000 19,852,904	1,310,869 1,310,869 1,310,869 498,376 403,990 420,151 436,957 1,759,474	\$ (4)
(5) 56,224,772 59,995,353 758,104 58,797,267		#3.5%  1,192,891 1,192,891 398,701 420,150 436,956 397,631 1,653,438	(5)
	TOTAL (1) (2) (3) (4) (51,248,588 52,460,560 53,721,012 55,031,881 55,019,169 56,231,593 57,491,593 58,802,462 pte à 12%) (2) (3) (4) (4) (51,248,588 56,231,593 57,491,593 58,802,462 51,248,588 1,082,118 1,004,825 933,051 55,019,169 à \$8	### ### ##############################	in a) 4,266,955

SERVICE NATIONAL DE TVP ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 20%

	RENTREES NETTES	PROFIT (PERTE) NET(TE)	PROFIT (PERTE) AVANT IMPOT Impôt sur le revenu (46%)	TOTAL	AUTRES FRAIS Frais d'intérêt (à 12%) Provision pour immobilisations Frais de lancement / perte reportée	RENTREES DE L'EXPLOITATION	TOTAL DES FRAIS	FRAIS D'EXPLOITATION Frais de transmission Coûts des centres de diffusion Commercialisation - exploitation(6%) Frais d'administration (\$12) Total	TOTAL	FRAIS DE PROGRAMMATION Frais d'achat (40%) Frais de contribution (5%)	REVENUS:		
	19,308	(13,997)	(13,997)	33,305	6,150 11,073 16,082	19,308	45,331	2,448 1,837 3,878 8,080 16,243	29,088	25,856 3,232	64,639	\$ (1)	
	20,133	(11,441)	(11,441)	31,574	6,295 11,282 13,997	20,133	47,091	2,448 1,956 4,033 8,403 16,840	30,251	26,890 3,361	67,224	(2) \$	
	20,997	(8,438)	(8,438)	29,435	6,447 11,547 11,441	20,997	48,916	2,448 2,084 4,185 8,739 17,456	31,460	27,965	69,913	Tarif (3) \$8	
7	19,539	2,738	5,070 2,332	16,801	6,604 1,759 8,433	21,871	50,839	2,448 2,219 4,363 9,089 18,119	32,720	29,084	72,710	\$ (4)	
	16,098	7,698	14,256 6,558	8,400	6,747 1,653	22,656	52,598	2,448 2,363 4,515 9,407 18,733	33,865	30,102 3,763	75,254	(5) \$	
	27,226	(10,302)	(10,302)	37,528	6,602 11,073 19,853	27,226	53,372	2,448 1,837 4,848 8,080 17,213	36,359	32,319	80,798	(1) \$	
	28,351	19	35	28,332	6,748 11,282 10,302	28,367	55,663	2,448 1,956 5,042 8,403 17,849	37,814	<b>3</b> 3,612 4,202	84,030	(2) \$	
	24,443	5,997	11,105 5,108	18,446	6,899	29,551	57,840	2,448 2,084 2,084 5,243 8,739 18,514	39,326	34,956 4,370	87,391	(3) \$	
	20,676	11,861	21,964 10,103	8,815	7,056 1,759	30,779	60,108	2,448 2,219 5,453 9,089 19,209	40,899	<b>36,3</b> 55 4,544	90,887	(4)	
	21,285	12,433	23,024	8,852	7,199 1,653	31,876	62,192	2,448 2,363 5,644 9,407 19,862	42,330	37,627 4,703	94,068	(5)	

RDI à \$8: 22.6% RDI à \$10: 32.8%

### TVP NATIONALE FEUILLE DE DEPENSES (1978 à 1982) PENETRATION: 15%

EQUIPEMENT Dispositifs de réception Centres de diffusion Réseau micro-ondes intra-urbain	CAPITAL TOTAL  à \$8 à \$10  Valeur actuelle de la sortie de capitaux (escompte à 12%)  à \$8 a \$10  TOTAL	FRAIS DE LANCEMENT Frais de mise en marché Pertes d'exploitation initiales	PROVISION POUR IMMOBILISATIONS Centres de diffusion Réseau micro-ondes intra-urbain Dispositifs de réception b  TABLEAU (a) 20% déclin (b) 1/3 ligne droite (2) (3) (4) (5)  TOTAL	
\$ 25,558,088 4,266,955 600,000 30,425,043	(1) 39,903,214 42,731,152 42,731,152 39,903,214 42,731,152		4,266,955 600,000 4,866,955 22,724,505 27,591,460 973,391 7,574,835	\$ (1)
7 84 14 2	(2) 40,812,194 43,640,132 811,589	\$8 (\$22.40) 11.311,754 1,000,000 12,311,754	#4.0%  908,980  908,980  778,713  7,524,835  302,994  8,656,542	\$ (2)
	(3) 41,757,533 44,585,471 753,618 42,736,788		44.02 945,339 945,339 945,339 7,574,835 302,993 315,113 8,815,911	
	(4) 42,740,686 45,568,624 699,789	\$10 (\$28.00) 14,139,692 1,000,000 15,139,692	#4.0%  983,153  983,153  983,153  498,376  302,993  315,113  327,718  1,444,200	\$ (4)
	(5) 43,635,355 46,463,293 568,578 45,564,726		#3.5% 894,669 894,669 398,701 315,113 327,718 298,223 1,339,775	<b>\$</b> (5)

SERVICE NATIONAL DE TVP ETATS DE RENTREES D'ARGENT (1978 à 1982) (milliers de dollars) Pénétration: 15%

		Tarte	<b>↑</b>				Tarif	f \$10		
	<b>⇔</b> £	\$	<b>\$</b> (3)	<b>\$</b> (4)	<b>*</b> (5)	\$ (1)	(2)	<i>⇒</i> , (3)	\$ (4)	\$
REVENUS:	48,479	50,418	52,435	54,532	56,441	60,599	63,023	65,544	68,165	70,551
FRAIS DE PROGRAMMATION Frais d'achat (40%) Frais de contribution (5%)	19,392	20,167	20,974	21,813 2,727	22,576 2,822	24,240	25,209 3,151	26,218 3,277	27,266	28,220
TOTAL	21,816	22,688	23,595	24,540	25,398	27,270	28,360	29,495	30,674	31,748
FRAIS D'EXPLOITATION	2.448	2.448	2.448	2.448	2,448	2,448	2,448	2,448	2,448	2,448
Coûts des centres de diffusion	1.837	1,956	2,084	2,219	2,363	1,837	1,956	2,084	2,219	2,363
Commercialisation - exploitation (6%)	2,909	3,025	3,146	3,272	3,386	3,632	2,781	3,933	4,090	4,233
Frais d'administration (\$12)	6,060	6,302	6,554	6,817	7,055	6,060	6,302	6,554	6,817 15.574	7,055
TOTAL		7   1 ( ) d				7.1 351	7.70 7.7	1.1. 514	16 218	47 847
TOTAL DES FRAIS	30,070	20,419	31,041	00000	40,000	729602	190		1 1	
RENTREES DE L'EXPLOITATION	13,409	13,999	14,608	15,236	15,791	19,348	20,176	21,030	21,917	22,704
AUTRES FRAIS Frais d'intérêt (à 12%)	4.788	4,897	5,011	5,129	5,236	5,128	5,237	5,350	5,468	5,576
Provision pour immobilisations	8,548	8,659	8,816	1,444	1,340	8,548	8,657	8,816	1,444	1,340
Frais de lancement / perte reportée	12,312 25,648	12,229 25,793	11,794 25,621	11,013	2,350 8,926	15,I40 28,816	23,362	17,352	6,912	6,916
PROFIT (PERTE) AVANT IMPOT	(12,239)	(11,794)	(11,013)	( 2,350)	6,865	(9,468)	(3,186)	3,678	15,005	15,788
Impôt sur le revenu (46%)		1	2	gen ope cam dan our cam	3,158		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1,692	6,902	7,262
	(12,229)	(11,794)	(11,013)	(2,350)	3,707	(9,468)	(3,186)	1,986	8,013	8,526
RENTREES NETTES	13,409	13,999	14,608	15,236	12,633	19,348	20,176	19,338	15,015	15,422

RDI à \$8: 19.07 RDI à \$10: 29.47

si les fonds obtenus par le premier moyen ne sont pas suffisants. être financée au moyen de dettes et de mises de fonds (voir page 24) cependant calculé la proportion des investissements de capital pouvant l'exploitation de TVP qu'au moyen d'instruments de dettes. Nous avons les sociétés, nous avons supposé que les investisseurs ne financeraient Notons qu'afin de tirer pleinement profit du système actuel d'impôt sur

Abonnés à la TVP (Evaluation) Tableau 3

• 6

ζ əğuu <b>A</b>	4 99anA	£ əànnA	S əànnA	Année l	Pénétration	
667'676'8	956,887,8	706'T79'E	3,501,254	065,836,8		
526,782	£70°895	961'975	881,825	686 709	%ST	
006,887	168,727	192,827	700,250	81E, E78	202	
SZ8'6Z6	682 976	976,326	875,313	8 <b>79</b> T78	252	
058'541'T	Z80'9ET'T	166,2 <b>90,1</b>	9/E'0S0'T	776,600,1	308	

est la méthode de la valeur actuelle nette. 10. La méthode employée dans le calcul du rendement des investissements (RDI)

- dollars par abonné à un tarif d'abonnement de 8 dollars et à d'obtenir la pénétration nécessaire - ont été évalués à 22.40 Frais de mise en marché - y compris commissions et rabais afin frais de commercialisation:
- et sont compris dans les frais d'exploitation (ce chiffre a été le niveau de pénétration ont été évalués à 6% des recettes brutes Frais d'exploitation - les commissions et rabais afin de maintenir été capitalisés dans les frais de lancement.

28 dollars par abonné à un tarif de 10 dollars. Ces frais ont

Le coût des installations micro-ondes intra-urbaines a été évalué comme

corroboré par l'expérience aux Etats-Unis).

:qins

000'009\$ 000'00T Vancouver: 000'00T Hamilton: 275,000 Toronto: \$125,000 Montréal:

:[stoT

Ce coût a êtê capitalisê.

- une position de rentabilité. lisées. Une période d'environ trois mois a été allouée avant d'atteindre On a tenu compte des pertes initiales d'exploitation, qui ont êté capita-
- immobilisations a été calculée de la manière suivante: les immobilisations ont été évaluées à 12% par an et la provision pour de lancement ont été entièrement amortis au cours de la première année, sur le revenu des sociétés. Dans le calcul de l'impôt à payer, les frais L'impôt sur le revenu a êtê calculê a un taux de 46%, taux prévu d'impôt
- ans; et pour les dispositifs de réception: en ligne droite pendant trois
- micro-ondes: solde en baisse de 20%. pour les centres de transmission et les réseaux intra-urbains de (q

2. ETATS DE RENTREES ET FEUILLES DE DEPENSES (TVP NATIONALE)

### Notes explicatives

- 1. Le présent rapport sur le rendement des investissements ne s'applique qu'à l'option transmission par micro-ondes
- 2. Le nombre total d'abonnés payants a été établi sous forme de pourcentage des abonnés au câble. Cet estimé ne se rapportait qu'à la première année (1978), mais il a été extrapolé jusqu'à la cinquième année (1982) d'après les données d'une étude de prospective sociale effectuée pour le Comité d'étude sur les satellites.
- . Les états de rentrées d'argent ont été dressés selon divers niveaux de pénétration à des tarifs d'abonnement de 8 et 10 dollars. En outre, ces états ont pour but ultime de déterminer le revenu net, après impôts, des investissements.
- 4. Les données de base concernant les dépenses sont les suivantes: a) le coût d'installation des dispositifs de réception est de 45
- dollars pièce;

  b) les immobilisations pour les centres de diffusion varient entre

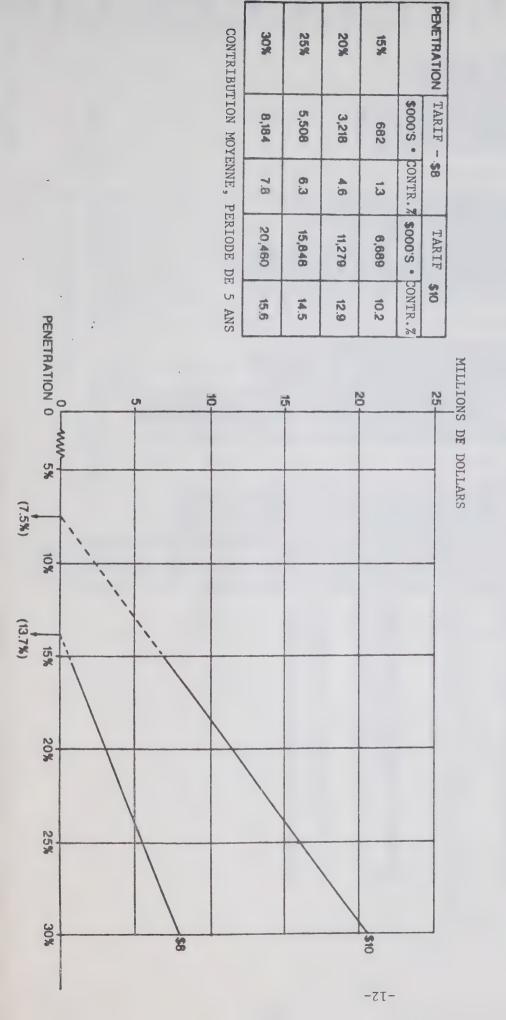
  20,000 et 350,000 dollars l'unité, selon leur rôle dans le système;
- trais généraux d'administration:

  1. Roulement débranchements et rebranchements évalués à 25% des
- abonnés à un coût de 10 dollars par opération, 5 dollars par abonné par an. it. Entretien des dispositifs de réception (une visite à 10 dollars
- par an pour 20% des abonnés), 2 dollars par abonné par an iii. Facturage et perception des comptes, l dollar par abonné par an
- iv. Mauvaise créance, l dollar par abonné par an
- v. Plaintes (coût ordinaire du câble), l dollar par abonné par an
- vi. Frais généraux (en sus de la télévision par câble), 2 dollars par
- Total: 12 dollars par abonné par an

abonne par an

CONTRIBUTION A LA PRODUCTION CANADIENNE

(POUR UN RDI DE 23% APRES IMPOT)



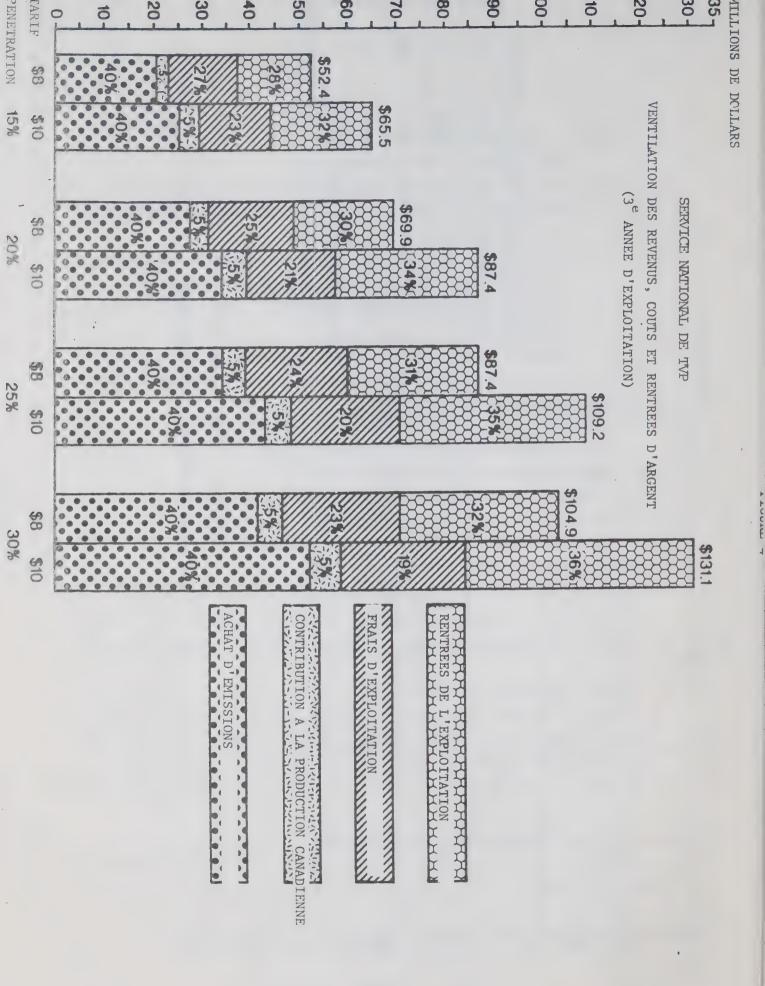


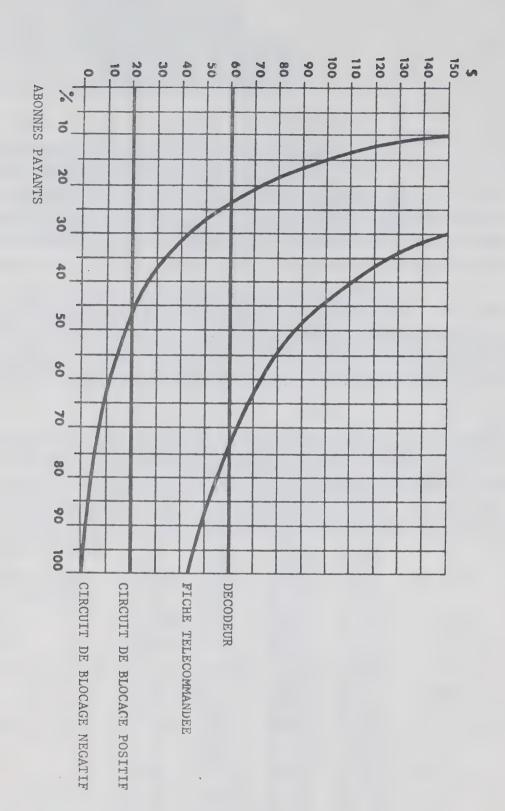
Tableau 2 Rendement des investissements Ontario et National (pénétration de 25%)

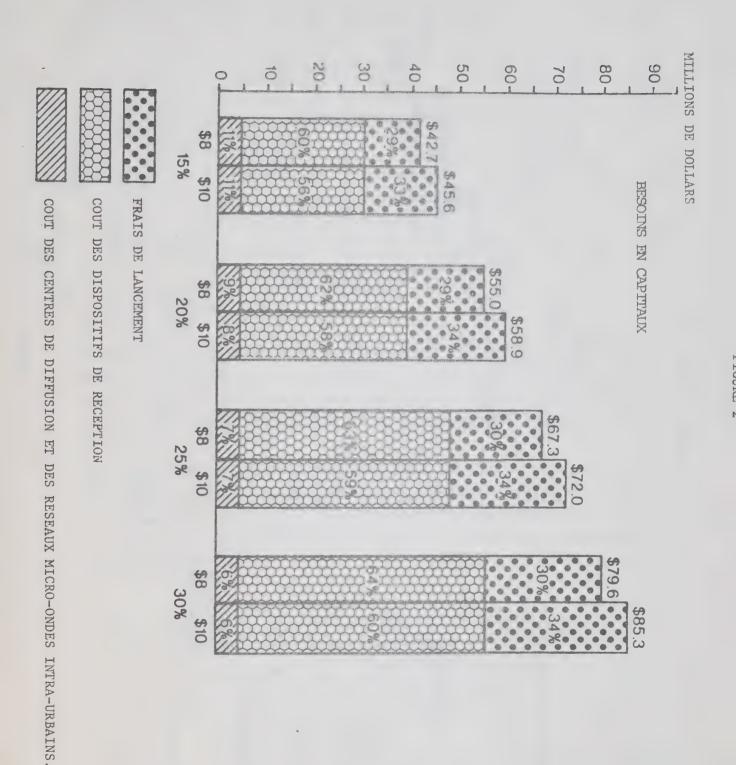
Province d'Ontario	070°08	2.82	592,25	0.8£
Réseau micro-ondes avec base à Toronto	576,7345	5.62	707'67	٤.9٤
Toronto-Hamilton- Kitchener-London	20,093	9.15	272,12	6.04
Toronto	73°°ET	31.3	\$66'71	9°07
National	<b>LI</b> E' L9\$	8*77	\$72,030	8.48
	(\$'000\$)	2	act.) (\$'000\$)	%
Marché	Capital (val.	RDI	To a Total	RDI
and the second	- lirsT	8\$	- lirsT	OT\$

Nous avons tracé un graphique en barres montrant le total des recettes à prévoir d'un service national de TVP, ventilé selon les divers éléments de coût et les rentrées de l'exploitation. Veuillez noter que nous avons alloué à l'anvestissement dans la production canadienne (ce qui, évidemment, ne signifie pas que la production canadienne serait exclue des bénéfices directs provenant des 40% destinés au fonds d'achat d'émissions). (voir fig. 4)

La contribution de 5% à investir dans la production canadienne se chiffrerait entre 2,4 et 7,1 millions de dollars si elle était répartie également pendant la période de cinq ans. Si l'on suppose toutefois que l'organi**s**ation de la TVP doit produire un revenu net de 23% après palement des impôts afin d'attirer les fonds nécessaires, la contribution à la production canadienne représentera alors entre 1.3 et 15.6% selon le niveau de pénétration et le tarif d'abonnement, soit entre 0,7 et 20,5 millions de dollars (voir fig. 5).

# COUT DU DISPOSITIF DE RECEPTION PAR ABONNE A LA TVP





- et un taux de pénétration prévu allant de 15 à 30% des abonnés au câble.
- supplémentaire de 5% va à l'investissement dans la production canadienne.
- Les frais d'exploitation comprennent:

   Le coût des micro-ondes (\$2,5 millions par an);
- rectaristic ob sociation not rectarated to tend not -
- les frais d'opération des centres de diffusion;
- les frais d'administration (\$12 par abonné par an);
- la commercialisation (6% du revenu brut).

  On alloue un taux d'impôt sur le revenu des sociétés de 46%.

### Coûts et revenus

A partir de ces prémisses, nous avons projeté les capitaux nécessaires à un svstème national de TVP à différents niveaux de pénétration. La principale composante des besoins en capitaux est le dispositif de réception, qui représente entre 56 et 64% de ces besoins. (voir fig. 2).

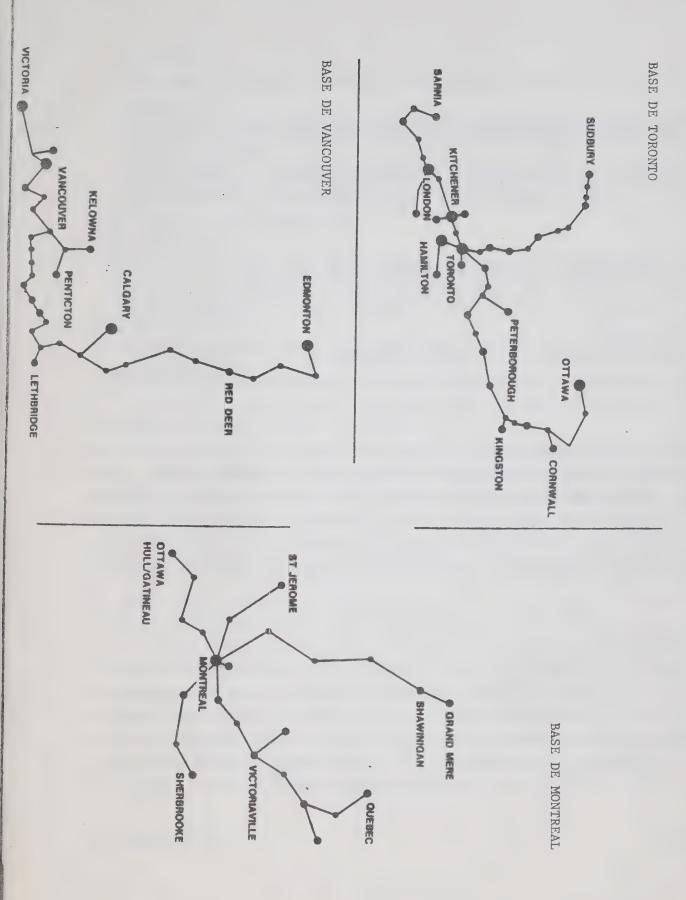
Dans l'analyse, nous avons choisi un prix de 45 dollars par dispositif par abonné payant, cela semble raisonnable étant donné que la TVP exigera un dispositif à la fois économinue et sûr. Le tableau suivant indique le rendement des investissements (RDI) à différents niveaux prévus de pênétration (voir fig. 3).

Tableau l Rendement des investissements

7.92 8.48 8.48	797°58 080°77 464°85 595°57\$	0.91 6.42 8.42 5.63	809°62 276°29 270°55 282°77\$	30% 70% 70% <b>30%</b>
2	act.) (2'000\$)	%	(\$'000\$)	
KDI*	.lsv) (spital	KDI*	Capital (val.	Pénétration
OT\$	- lirsT	8\$	- lirsT	

<sup>\*</sup> Compte tenu du risque, nous sommes d'avis qu'un taux de revenu prévu équivalent au double du taux courant d'intérêt bancaire (actuellement de ll½%) pour une société de taille semblable, soit 23% environ ou plus, attirerait sans doute les investissements nécessaires. D'après un niveau de pénétration de 25%, nous avons fait une comparaison du RDI prévu dans divers systèmes de TVP en Ontario, par rapport à un système national. (voir tableau 2).

## RESEAUX MICRO-ONDES DE TVP



### I. INTRODUCTION

La présente analyse d'investissements suppose que l'introduction de la télévision à péage au Canada se fera par l'intermédiaire de systèmes de télévision par câble. Ces systèmes devront toutefois être de taille suffisante à fournir les recettes nécessaires pour justifier les coûts de base d'un service de TVP. Nous avons donc décidé de n'utiliser que les systèmes pouvant desservir environ 2,000 abonnés ou plus. Selon l'endroit, la taille et le coût du service de TVP, les systèmes de télévision par câble individuels ont été étudiés dans le cadre d'un réseau micro-ondes ou à part.

Le premier graphique indique qu'il serait possible de mettre au point, dans ces conditions, trois systèmes micro-ondes dont les centres de diffusion seraient respectivement à Montréal, Toronto et Vancouver. Notons que les provinces maritimes, de même que le Manitoba et la Saskatchewan seraient "à part". Cette observation vaut également pour certains systèmes, situés dans des provinces dotées d'un réseau micro-ondes, qui ne pourront pas être reliés de manière rentable au réseau (voir fig. 1).

### Prémisses principales

systèmes à part.

initiales);

sont les suivantes:

- Environ 98.5% des abonnés au câble ont accès à la TVP
- Le signal est transmis par micro-ondes à 105 systèmes et en différé à 78
- Les capitaux sont investis dans:
- Jes dispositifs de reception, evaluês à \$45, pièce;
- les centres de diffusion (de \$20,000 à \$350,000 suivant le rôle au
- sein du système);
- les frais de lancement (mise en marché et pertes d'exploitation

PREFACE

· \$998

Le service de télévision à péage (TVP) par abonnement est offert sous forme de canal que l'abonné peut accepter ou refuser. Dans le premier cas, l'abonné paiera un droit mensuel unique (par ex., 8 dollars) en sus du tarif régulier de câble. Dans le second cas, il lui sera possible de continuer simplement à payer le tarif ordinaire du câble. Le service peut être offert par câble ou par ondes hertziennes.

La présente analyse de rentabilité d'un système hypothétique de TVP repose uniquement sur l'expérience américaine; il n'existe au Canada aucun point de départ à pareille analyse et, pour l'instant, celle-ci demeure du domaine de l'hypothèse. Néanmoins, il nous a semblé que l'analyse pourrait au moins fournir un aperçu du genre de rendement à prévoir, à supposer que l'expérience américaine soit valable au Canada. Les coûts utilisés dans cette analyse sont fondés sur un estimé canadien de 1976.

Nous n'avons pas utilisé de modèle de demande de service de TVP, supposant plutôt dans notre simulation que certains niveaux de pénétration (de 15 à 30%) pouvaient être atteints à des tarifs d'abonnement de 8 et 10 dollars.

Notons également que nous n'avons pas cherché à décrire un modèle précis d'agence de télévision à péage. Nous avons tenté d'établir les revenus et les coûts d'un service de TVP sans définir le rôle exact des parties intéres-

Bien que le modèle repose sur certaines prémisses précises, telles que le paiement par abonnement mensuel et la transmission par une combinaison de micro-ondes et de présentation en différé, notre intention n'était pas de suggérer qu'il s'agissait du seul système et des seules méthodes acceptables.

### PARTITAM SAG BIRAT

	(	rţo	Onta	p ə	ouț	Prov	-	
	basé à Toronto	səj	puo-o.	mţa	กะล	Rése	-	
	Itchener-London	u-K	milto	-Ha	opuc	Lord	-	
				(	oruc	Tor	-	
52	argent pour	P	trées	Len	эp	ste	E	٤.
EI	argent	P	trées	ren	ąę	sats	E	٠.2
۷		• •	• snuə	IGA	<b>1</b> 9	etûc	CC	
ς		sə	néral	. gé	səss	iemi.	Гď	
ς				uo;	gang	νειο	ıI	· I
7		• •	• • • • •		· ə:	iéfa	ьd	
ə81	Bed							
			S.1	. דניג	LALY	nre	שרם	W T

Le Conseil ne partage pas nécessairement

de la radiodiffusion et des télécommunications

Ce document a été préparé pour le Conseil

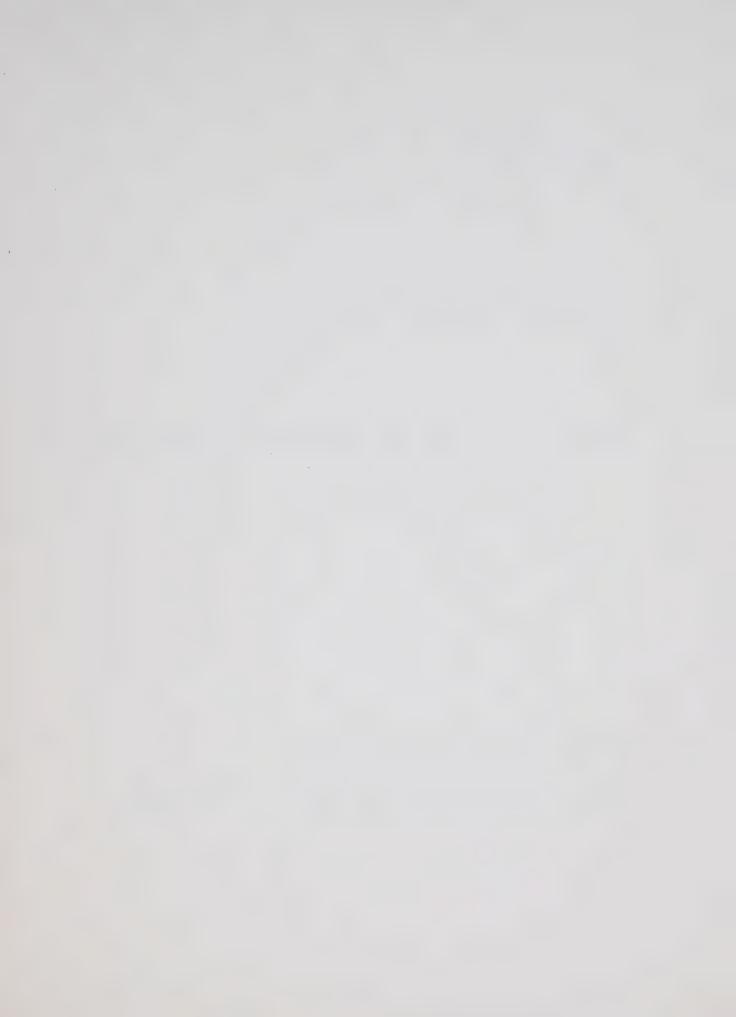
les opinions exprimées dans ce document

canadiennes

Mars 1978

Télévision à péage par abonnement

DOCUMENT DE RECHERCHE



### Document de recherche Télévision à péage

Télévision à péage par abonnement

mars 1978







